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ABSTRACT

This report examines how demographic changes, particularly in immigration and fertility, have affected and will continue to affect every segment of California's population. Three points are emphasized in the report: the number and type of Californians in future years, the size and composition of the labor force and the related issues resulting from changes in population size, and the changes in the social and cultural environment that may also be affected by demographic shifts. Population projections are developed to illustrate these emerging phenomena and what they will mean for schools, the labor force, retirement, and the culture of California. It is argued that, as a result of continued very low fertility and high levels of immigration, California is both aging and becoming increasingly heterogeneous in its composition. Chapters 1-4 discuss the past, present and future population of California; the regional distribution of the population; and the changing age composition. Chapter 5 focuses on the economy and labor force of the state and examines how both legal and illegal immigration affect unemployment among residents. Chapter 6 discusses demographic change and its impact on political, religious, retirement, cultural, and other social structures. Chapter 7 examines population growth in Mexico, the home country of many immigrants to California. Finally, Chapter 8 considers future scenarios for the state. Thirteen tables and 11 figures are presented in the report. (KH)

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ABSTRACT

This report looks at how demographic changes, particularly in immigration and fertility, have affected and will continue to affect every segment of California's population. As a result of continued very low fertility and high levels of immigration, the state is both aging and becoming increasingly heterogeneous in its composition.

Three points are emphasized: the number and type of Californians in future years; the size and composition of the labor force and the related issues resulting from changes in population size; the changes in the social and cultural environment that may also be affected by demographic shifts.

Population projections are developed to illustrate these emerging phenomena and what they will mean for schools, the labor force, retirement, and the culture of the state. Soon after the turn of the century, no racial/ethnic group will comprise a numerical majority of the state's population. By 2030, Hispanics and Non-Hispanic Whites will each represent about 38 percent of the total population. Variations are noted among the various age groups.

The chapter on the economy and labor force of the state examines how both legal and illegal immigration affect unemployment among residents. Ethnic economic enclaves are described to show how certain groups are hired to the exclusion of other groups in the same area. The possible emerging of a two-tier economy with Asians and Non-Hispanic Whites competing for the high status positions while Hispanics and Blacks struggle to get the low paying service jobs is described.

Social sectors discussed in this report include education, political, religious, retirement and culture. Changing racial/ethnic composition as well as aging are considered insofar as they affect these sectors in future years. For example, the proportional growth of minorities in the school system as compared to that of Non-Hispanic Whites introduces a discussion of the growing issues surrounding bilingual education and maintainence of the English language.

Because of the large number of immigrants -- legal and illegal -- who come from Mexico, a separate chapter is devoted to an examination of the population growth in that country. The doubling of the size of the labor force of Mexico over the next 20 years and its implications for continued and possibly increased movements across the border is considered.

The final chapter examines possible future scenarios for the

state. Cultural pluralism is compared to assimilation. Finally the most important question in the report is asked: "What kind of California do Californians desire for the 21st century?"

1. CALIFORNIA'S POPULATION: PAST AND PRESENT

Introduction: California's current population of some 25 million people is a far cry from its 2 million inhabitants in 1909 when, upon visiting the state, the then Ambassador from the United Kingdom to the United States, Lord James Bryce asked: "What will happen when California is filled by fifty millions of people, and its valuation is five times what it is now?...There will be more people--as many perhaps as the country can support---and the real question will be not about making more wealth or having more people, but whether the people will then be happier or better than they have been hitherto or are at this moment."(1)

California's amazing population growth continued to be in the minds of many people as noted in the 1966 Population Bulletin entitled: "California: After 19 Million, What?" There the author commented: "Human ingenuity is on trial in California. This geographic wonderland is reeling under the impact of an annual increase in population of over half a million...Currently, the net daily gain for the state is about 1,500 souls."(2)

A few years ago, the then Lieutenant Governor of California, Mervin Dymally expressed a different kind of concern about population change when he predicted that by the turn of the century a majority of the state's population would consist of "Third World" peoples.

That rapid population growth has been a concern, whether positive or negative, of Californians and non-Californians alike, is not an exaggeration. Furthermore, there is a growing consensus that whatever occurs in California will happen sooner or later to the nation. This has been particularly well said by poet Richard Armour:

"So leap with joy, be blithe and gay
Or weep my friends with sorrow.
What California is today,
The rest will be tomorrow"

In 1970, the Assembly of the California State Legislature created an Advisory Council on Science and Technology which convened in 1971 a conference to discuss California's future. In his introductory remarks to the distinguished group of experts, the Honorable Bob Moretti, speaker of the California Assembly stated: "We can no longer accept the proposition that all growth is good. In fact the quality of our life and our economic well being may in the future depend to a great extent on more effective management of growth. What we need to seek is a balance between our resources of air, water, and open space and our population growth."(3) Interestingly the monograph that emerged from this conference was entitled: California's Twenty Million.

Today a number of studies are addressing this same issue but from various frames of reference. Indeed the focus of concern has shifted dramatically between 1971 and 1985 from sheer population growth issues to questions related to population composition. This report examines the 50-year period 1980-2030 and looks at the broad picture -- social, cultural, political, economic. The projections used allow for examinations of each ethnic group, and difficult broad-based questions are addressed -- questions that must be answered if the state is to maintain cultural, social and economic progress as it enters the 21st century.

Three points will be emphasized: the number and types of Californians in the years 2000 and 2030; the size and composition of the labor force and the related issues that result from changes in population size; and the changes in the social and cultural environment that may also be affected by such demographic shifts. For all three points, the issues that could emerge will be examined.

Past Population Growth: Rapid population growth has always been prevalent in California. During the century beginning in 1860, a fortyfold increase in numbers took place. At the same time, the nation grew only four and a half times. Between 1950 and 1960 there was a 48.5 percent growth in the state compared to only 18.5 percent for the nation. A similar pattern was noted in the 1960s as the population increased by 27 percent to just under 20 million in 1970 while the country added 13 percent of its 1960 population. By 1963 California had surpassed New York as the largest state in the union. According to the 1980 census, California's population totaled 23,667,902 reflecting an addition of some 3.7 million over 1970 or a decennial increase of 18 percent. This is notably larger than the national increase of 11 percent, though the difference is less than in earlier decades.

TABLE 1.1
Population of California
1860 to 1980
(in thousands)

YEAR	POPULATION	% CHANGE
1860	379	---
1870	560	47.4
1880	864	54.3
1890	1213	40.3
1900	1485	22.4
1910	2377	60.1
1920	3426	44.1
1930	5677	65.7
1940	6907	21.7
1950	10586	53.3
1960	15720	48.5
1970	19971	27.1
1980	23667	18.5

Source: U.S. Bureau of Census, California, Number of Inhabitants 1980. Table 1.

Population Changes 1970 to 1980: California is the nation's most urban state with 95 percent of its population living in cities and a concentration in the southern section. Fully 60 percent live in Los Angeles and adjacent counties. The state's second largest urban center is the San Francisco Bay Area, comprised of nine counties which contain 5 million people, or 22 percent of the state's population.

With more than 15 percent of its population foreign born, California's cultural diversity cannot be overstated. The evolution of the state's heterogeneity began during the 1840s when Chinese as well as Americans from the East came to find work and fortune in the gold mines. There they joined the Native Americans and Hispanics already in California and were later joined by Japanese immigrants. Early in the 20th century Mexicans streamed in as civil unrest in their country pushed them out, and a demand for unskilled labor pulled them over the northern border. Blacks did not reach the state in great numbers until the second World War when their labor was needed.

Migration from other states remained a contributing factor to California's growth until the 1970s. However in that decade

more people left the state than moved in. A recent Urban Institute publication on the impacts of immigration on California notes that: "Although immigration to California has soared since 1970, net internal migration to this region has virtually stopped because there is a decreasing propensity of people to move to California coupled with a rising tendency to leave for other states." It further notes that: "Those net migrants to California from other parts of the nation tend to be better-educated professional workers, whereas there has been a net out-migration of the less educated, unskilled, blue-collar and service workers." (4) Since 1980 net internal migration has once again been positive.

In recent decades immigration from a number of Asian and Latin American countries has contributed significantly to the state's growth in both size and cultural diversity. Because of changes in Census definitions, comparisons by race are not always accurate. Nevertheless, the 1970s did witness major shifts in the state's racial composition. (See Table 1.2.)

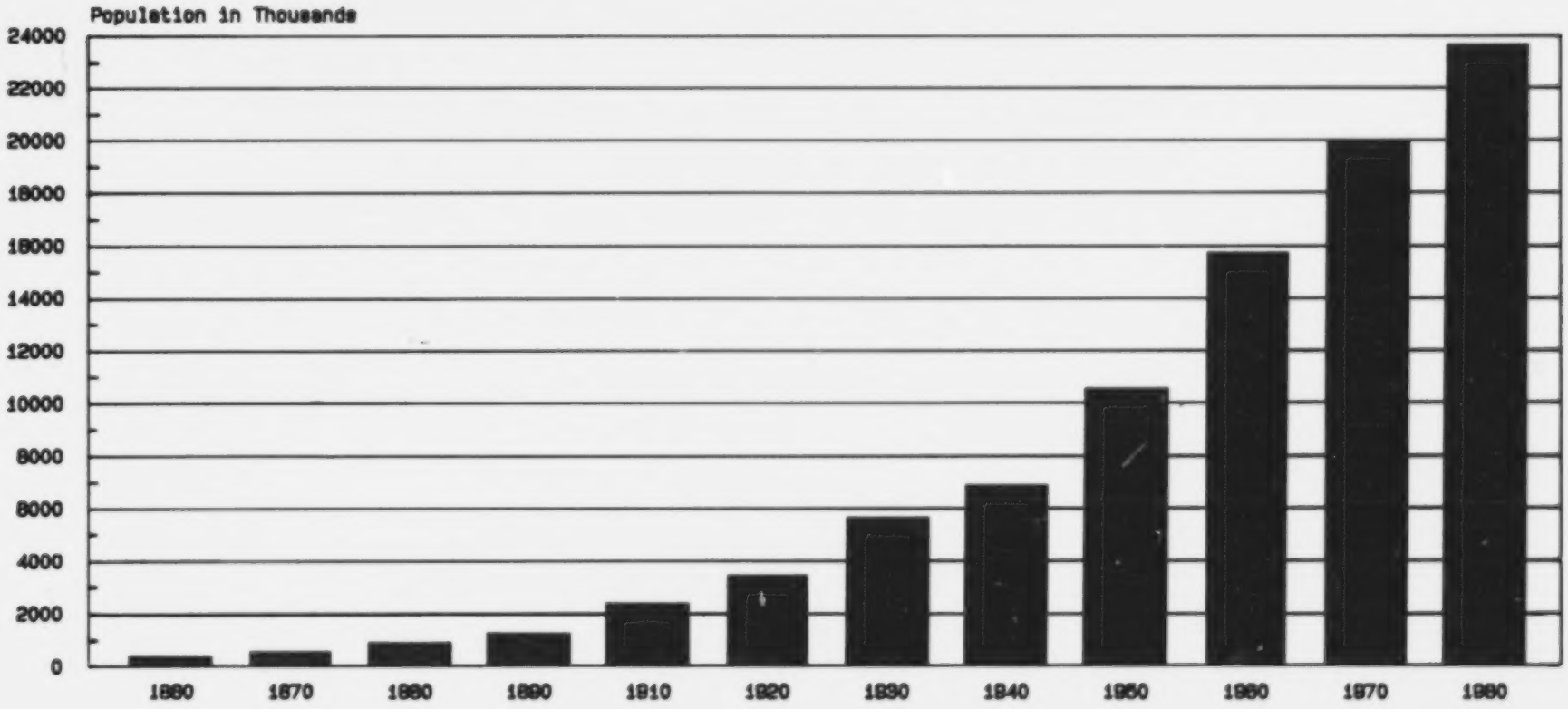
Substantial in-migration and differential fertility among ethnic groups have contributed to a reduction in the majority proportion in California. In 1970 77 percent of Californians were non-Hispanic Whites while ten years later this group constituted only two-thirds of the state's population. The proportion Black changed little during the 1970s; most of the population growth of minorities occurred among Asians and Hispanics.

TABLE 1.2
Population by Race/Ethnicity
1970 and 1980
(in thousands)

	1970	%	1980	%
Non-Hispanic White	15392	77.1	15704	66.5
Black	1400	7.0	1783	7.6
Hispanic	2369	11.9	4544	19.3
Asian & Other	792	4.0	1575	6.6
Total	19953	100.0	23608	100.0

Figure 1.1

POPULATION OF CALIFORNIA
1860-1980



Reference: Table 1.1

4a

Since 1970 the proportion of Californians from Asia and the Pacific -- then 3 percent -- has climbed each year as the number of Southeast Asian immigrants and refugees has accumulated; in 1980 Asian and Pacific Islanders made up 5.5 percent of the state's population. Twenty-seven percent of these are Filipino, followed by 25 percent Chinese and 21 percent Japanese-.(5) Latin Americans are even more visible in California. Hispanics -- 80 percent of whom are of Mexican origin-- make up 20 percent of the population of the state and in 1980 numbered 4.5 million. Though its size enables California to accomodate more people than most states, it contains disproportionately more of the newest immigrants. Fully one out of every four foreign born persons living in the United States resides in California which is home to one out of ten Americans. The foreign-born population in California includes nearly a third of all Hispanics and close to 40 percent of all Asian-Americans in the United States. (6)

Both past and current immigration have spawned cultural diversity in California and sustained a relatively young age structure. Internal movement has brought mobile young adults from all states, especially from the North Central and South between 1975 and 1980. Concurrently, an influx of young immigrants with large families and relatively high fertility has skewed the age distribution so that California's median age remains slightly lower than the nation's. The state's median age has edged up since 1970, however, from 28.1 to 29.9 in 1980 as the proportion elderly (65 years and older) rose to 10.2 percent in 1980 from 9 percent a decade earlier.

California has been undergoing radical alterations in its population size and composition, be it ethnic makeup or age -- all the result of demographic behavior. People are born; people move; people die. Shifts in the rates of fertility, migration and mortality are the causes of variations in racial and ethnic distribution as well as in age composition. In turn these shifts affect every aspect of society. This report deals with both the demographic changes and the societal impacts of these changes over the next 50 years.

Conclusion: In the aforementioned 1966 study the author cautioned that "political, social, and economic problems are intensified by this fantastic proliferation of people." He continued: "Yet it is and must remain the conviction of responsible men that California's troubles are not beyond solution."(7) As we examine the situation in 1985 and look toward 2000 and beyond, similar warnings are appropriate. California will face many demographically related problems, but these problems are all solvable by intelligent men and women of good will. That, we earnestly hope is the message of this report.

2. THE FUTURE POPULATION OF CALIFORNIA

Introduction: To peer into the demographic future of the state of California we must develop a series of population projections. Projections are not to be confused with predictions. The latter are simply the author's views about the future situation in any given area; the former are mathematical calculations based on a series of assumptions about demographic behavior (fertility, mortality, and migration).

In this report, we concentrate on demographic assumptions and do not consider the often tenuous assumptions sometimes used in econometric models. For example, rather than projecting the number of jobs in future years and then adjusting rates of migration to that total, we will limit ourselves to purely demographic projections, assuming that the level of migration will in turn determine the number of jobs or the extent of unemployment.

The population of California as enumerated in the 1980 Census is the base population for all projections. In turn this population is subdivided into racial and ethnic categories, all by age and sex composition. Assumptions about future demographic behavior are then applied to these base populations and the projections are derived according to the cohort-component method.

Data are available to construct population projections for four basic racial groups: Non-Hispanic Whites, Blacks, Hispanics, and Asian and Pacific Islanders (simply referred to as Asians). All Others are primarily Native Americans and a few racially unidentified individuals. No further analysis will be done on this group except to determine its future size and include it within the total population.

What exactly is meant by Hispanic; by Asian? These racial/ethnic terms are increasingly used in the media, yet they can be misleading.

The term "Hispanic" is an American invention, which denotes that it contains all the people of Latin American ancestry. While appearing fairly simple, it leaves many questions unanswered. All people born in or descendants of persons born in Latin American countries are not necessarily "Spanish." Many are Native Americans or Mestizos; others could be of German or Italian ancestry but still come from a Latin American country. To further confound the issue, people immigrating from Brazil or Haiti are not considered Hispanic. Also to be considered are the early settlers of California, some of whom came directly from Spain. Are their descendants Hispanic?

The category "Asian" also presents difficulties. If the term refers to anyone from the Asian continent, then Israelis, Turks, Iranians, and others should be included. However, it is usually

limited to persons of Asian racial background, or those from South and East Asia. More specifically, this includes all countries from Pakistan east to the Pacific Ocean. As noted above, Pacific Islanders are also part of this category for our purposes.

Hispanic is not a racial category, and the Census Bureau does not treat it as such. Persons who identified themselves as Hispanic in the 1980 Census were also asked their racial background. Although most said White, a significant number indicated Other, Black, or Asian. These were deducted from the total race numbers and allocated to Hispanics. Thus, although not a race, Hispanics are categorized as such for the purposes of this report. Because almost 90 percent of all Californian Hispanics enumerated in 1980 are either of Mexican or of Central American ancestry, projections for the various Hispanic ethnic groups will not be made. This is not to say that dissimilarities are not to be found among these groups. Cubans, Puerto Ricans, Mexicans, Central Americans as well as those of direct Spanish heritage differ considerably from each other. However, the numbers of many such groups are quite small in California, thus precluding further analysis.

Asians are very heterogeneous in origin, and no one group predominates in California as the Mexicans do among Hispanics. Thus separate projections will be made for Filipinos, Chinese, Japenese, Koreans, Vietnamese, Indians, Kampucheans and Laotians, and all other Asian and Pacific Islanders. The last group is residual and no further analysis beyond numerical projections will be made

Populations grow or shrink through natural increase or decrease (that is, births minus deaths) and/or through immigration or emigration. Thus all three demographic variables-- fertility, mortality, and migration-- must be examined when determining the assumptions that allow for the construction of population projections.

The Demographic Assumptions: For the past 13 years, fertility in the United States has been at historical lows. Women have been averaging 1.8 live births during their reproductive years, a number not sufficient to replace the population in the long run without the assistance of immigration. California's fertility closely resembles that of the nation. Because of its large Hispanic population, some scholars set fertility at slightly higher than the national average. However, as separate projections are to be made for each racial/ethnic group, this assumption, while probably valid, is not appropriate to this study.

Non-Hispanic White fertility is assumed to be 1.7 live births per woman; Black fertility reflects that of all Blacks in the nation, that is, 2.3 live births per woman. Estimating current Hispanic fertility is more difficult given the limited data from the National Center for Health Statistics (NCHS). According to the most recent statistics from NCHS on births of Hispanic parentage in 1982, "Mexican women and 'other Hispanic' women had the highest fertility rates [among Hispanics], 102.8 and 108.8 per 1,000 women 15-44 years of age, respectively."(8) This is approximately 62 percent higher than the overall rate for all women. Thus we assume that Hispanic fertility in 1980 was 3.0 live births per woman.

Similarly, data are rare on Asian fertility, particularly on the ethnic level. A recent analysis of the 1980 census by Gardner et al. yields interesting information on the larger Asian groups in the United States.(9) Japanese and Chinese fertility is somewhat below the national average, while that for Koreans and Indians approximates the national average. Filipino and Vietnamese fertility are higher. Fragmentary reports indicate that other Southeast Asians may exhibit even higher fertility. We assume the 1980 fertility for these groups to be as follows: Chinese and Japanese 1.7; Indian 1.8; Korean 2.0; Filipino 2.5; Vietnamese and other Southeast Asian 3.0; All Other 3.0.

Fertility for all groups is assumed to converge at 1.8 by 2030. During the period of convergence, average age of mothers at birth of children will also be gradually adjusted toward that reflected by lower rather than higher fertility. That is to say, average age at birth of children will increase slightly as fertility falls. Furthermore, future immigrants will be assumed to have the same fertility as their fellow country persons in California at whatever future date they arrive.

Mortality patterns are easier to assess with some confidence. While we cannot be certain that fertility will not increase in the future, progress in extending life expectancy for all Americans is highly likely. For Non- Hispanic Whites and for Blacks, we assume that life expectancy will increase from that registered in 1980 for the total United States and will converge at 80 years (for both sexes combined) by 2030. In 1980, life expectancy for Whites was 72 years; for Blacks 67 years. Hispanic life expectancy is assumed to increase from 70 years in 1980 to 80 by 2030. Among the Asian groups, Japanese and Chinese as well as Korean and Indians will follow the same path as Non-Hispanic Whites; the other Asian groups will more likely follow that of Hispanics. Differences are slight among the various groups being studied and convergence is assumed for 2030. Projections will be done separately for males and females. In any case, slight variations in life expectancy have little effect on the eventual size and age distribution of a population.

Future migration, whether internal or international, is more difficult to estimate than either fertility or mortality. International movements are dependent on many imponderables such as the economy and political stability of the sending countries as well as the economic and the legislative mood of the United States. Future and, as yet, unpredictable political disturbances in Latin American or Asian countries could lead to massive refugee movements in the direction of the Pacific Coast. On the other hand, new legislation could drastically curtail illegal movements and limit legal and refugee movements.

Interstate migration is almost totally dependent on economic conditions. Jobs attract people; unemployment sends people away from an area. Will continued high levels of immigration into California mean fewer jobs for other Americans from other regions of the nation? If so, will out-migration from California become the normal pattern? On the other hand, if immigration is substantially reduced at the same time that the state's economy improves, will that lead to significant increases in the number of Americans moving to California? We have seen that during the 1970s the better educated were more apt to move to California, while those in lower occupations tended to move away from the state. Such a pattern may continue in future years.

The number of legal foreign entrants into California is dependent on the number entering the nation. Since 1980, that number has averaged about 600,000 annually, with about 27 percent settling in California. In addition, two movements have no reliable data bases upon which to make informed estimates: the number of persons entering the country illegally in any given year and the number leaving the country, both legals and illegals.

A recent study has estimated the number of legal emigrants from the United States (thus not including the circular movement of illegal migrants) at about 100,000 per year.(10) Most of these people are Non-Hispanic Whites returning to their motherland. Estimates of the number of clandestine entries in any given year range from 100,000 to more than 1 million.

The Urban Institute has recently estimated that more than 1 million people came to California illegally during the 1970s and that "for the state as a whole, almost 60 percent of the recent immigrants have come without proper documentation."(11) A new study by the National Academy of Sciences estimates the number of illegal residents in the United States at between 2 and 4 million; however it says nothing about annual entries.(12) It is thought that a significant majority of illegal migrants are from either Mexico or Central America, with many making California their desired residence in the United States.

Given the unreliability of data on immigration patterns, no

single assumption will satisfy all readers. We have a strong prediliction for erring on the conservative side. We assume that 750,000 people immigrate annually to the United States, 600,000 legally and 150,000 illegally. If about 150,000 leave the country, legally and illegally, this means that net migration into the United States is 600,000 per year. That is our assumption. About 32 percent of all net migration, legal and illegal, 190,000 migrants, is assigned to California. (This is higher than noted above because the proportion of illegal immigrants from Latin America coming to California is thought to be more than 35 percent, and a certain amount of secondary migration to California on the part of some refugees has been observed.) Based on recent patterns of immigration by population size, country of origin, age and sex composition, as well as on intended place of residence of legal immigrants, the distribution of annual net immigration into California by racial and ethnic categories is:

Asians	75,000
Chinese	10,920
Filipinos	19,200
Indians	1,500
Japanese	2,160
Koreans	9,000
Laos/Kam.	7,620
Vietnamese	21,600
Other	3,000
Hispanics	100,000
Central Am.	35,000
Mexico	65,000
Non-Hisp White	10,000
Black	5,000

Interstate migration is also a factor when making projections for the state of California. During the 1960s and the early 1970s, net migration into California was considerable. Since 1970, however, such movements have fluctuated, even becoming negative in many years. Again, to be deliberately conservative, net migration in future years is assumed to be zero. In other words, over the long-run as many United States residents will leave California as will enter the state as has been the situation for about the last decade. With immigration remaining high, massive surges of in-migration from elsewhere in the nation are unlikely.

Yet another special type of internal migration must be considered: secondary movements by refugees. Numerous groups of Southeast Asians, as well as other refugees, have been resettled in various areas of the nation. Hmongs, for example, are located

in Minneapolis, MN as well as in Providence, RI. Evidence suggests that over time many such refugees will relocate in California, where many of their country persons reside.(13) These numbers are not inconsiderable. As noted above, our assumptions on international migration indirectly take into consideration such secondary moves on the part of refugees. Thus no further attempt to measure this phenomenon is undertaken.

Two or more sets of projections based on different assumptions for migration or fertility or mortality could have been constructed. Such an approach is often used and is generally commendable. Yet too many numbers can lead to confusion. If the reader is totally aware of the exact assumptions being used, he or she can then adjust the findings to fit whatever changes may take place in future years in the level of immigration, fertility or mortality. Thus in this report only one set of assumptions is used.

These assumptions are admittedly conservative, whether in fertility, mortality or migration. Fertility is assumed to decline among future immigrants; mortality levels will fall but not dramatically; migration, both international and internal, will not be as enormous as some predict. By taking this lower approach, the actual projections should be more acceptable and reasonable than they would be if higher fertility and migration assumptions were used.

The Demographic Projections: By the turn of the century California's population will be approaching 32 million. This represents an increase of about 7 million over 1985 and an average annual rate of growth of about 1.5 percent. Such growth, based on the assumptions described above, is consistent with other projections developed by California agencies.(14) Despite declining fertility after the turn of the century, growth will continue at a fairly high level. By 2030 the population of California will exceed 42 million. Between 2000 and 2030 more than 10 million people will be added, representing an annual growth rate of about 1 percent. We can expect that California's population will almost double from 23 to 42 million between 1980 and 2030. By then, fertility for all groups will be well below the level needed for replacement. However, the momentum for growth combined with continued net immigration will lead to additional numerical gains, albeit at an ever slower rate. Lord Bryce's concerns for 50 million Californians may well come to fruition by the mid 21st century.

TABLE 2.1
Projected Population of California
1980 to 2030
(in thousands)

Year	Population	% Change
1980	23600	---
1990	27880	18.1
2000	31883	14.4
2010	35869	12.5
2020	38466	7.2
2030	42665	10.9

Numerical increases are important for many segments of the society; equally important are changes in the composition of that growing population. Variations in the racial and ethnic composition as well as the age and sex distribution of the state must be considered along with changes in population size.

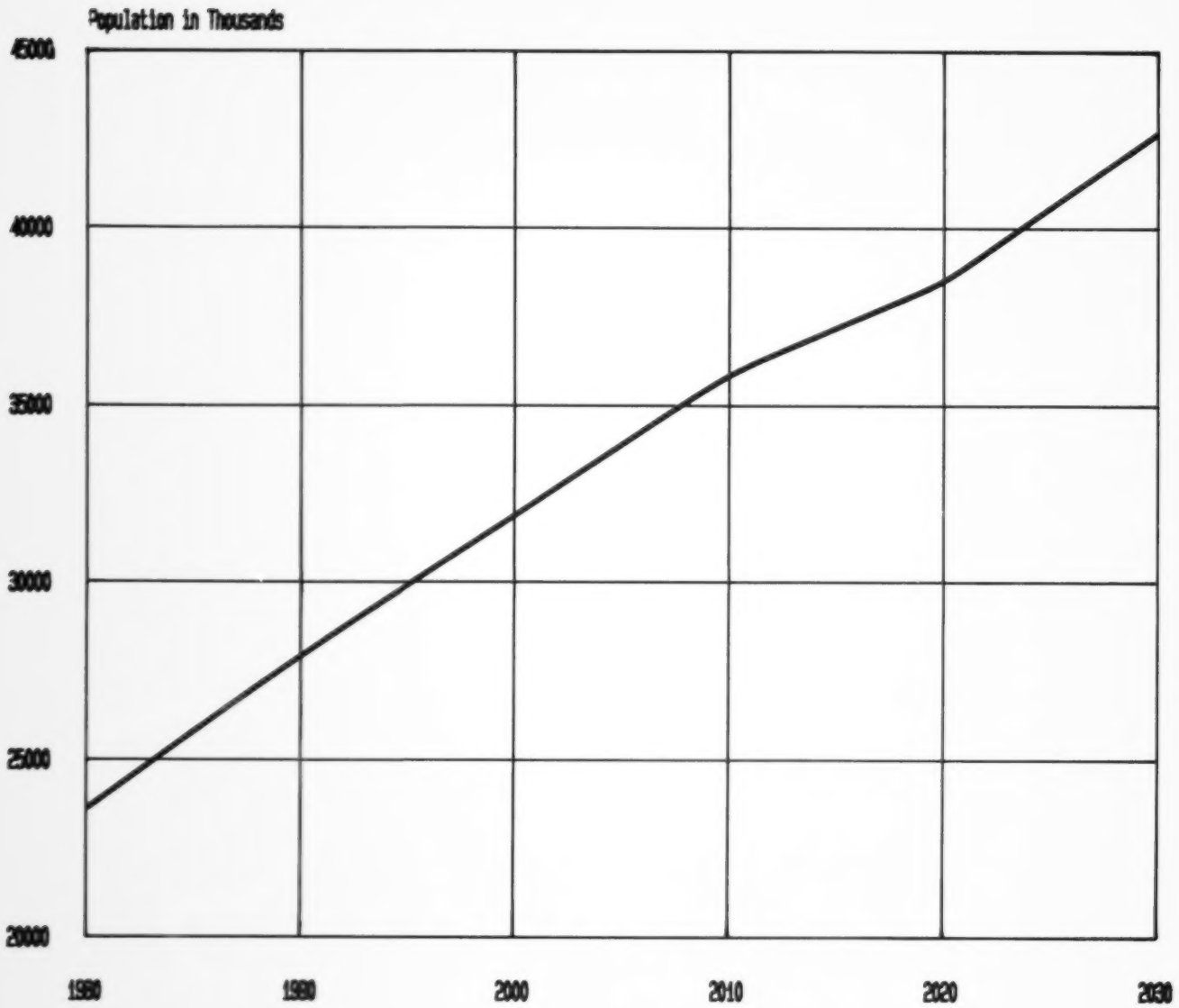
Since the mid-19th century, Non-Hispanic Whites have been the predominant population group in California. The Spanish, however, were there much earlier. In 1846, the last Mexican

Governor of California said: "We find ourselves suddenly threatened by hordes of Yankee emigrants...whose progress we cannot arrest."(15) Many Mexicans remained in the region after the culmination of the Mexican War of 1847. Later, Chinese and Japanese workers were imported to perform various duties. Yet the Non-Hispanic White population kept growing, and in the 20th century even greater increases occurred through net migration during World War II. In 1980, about two-thirds of all Californians enumerated in the census were White and not of Hispanic background.

In future decades that proportion will decline considerably. By the turn of the century, Non-Hispanic Whites will represent just over half the total population of the state. Former Lt. Gov. Dymally's comment will be proven correct, though at a later date than originally predicted. By 2010, a majority of Californians will be of Third World background, if that background is defined to include Asians, Pacific Islanders, Hispanics and Blacks. In 2030 Hispanics and Non-Hispanic Whites will be numerically equal, each representing 38 percent of the total population. Asians, in the meantime, will exhibit steady growth, reaching 10

Figure 2.1

PROJECTED POPULATION OF CALIFORNIA
1880-2030



Reference: Table 2.1

percent of the population by 2000 and more than 15 percent by 2030. The proportion Black will decline slightly in future years, from 7.5 percent of the population in 1980 to less than 7 percent by 2030. Thus the next few decades will be noted by major shifts in the proportional distribution of the state among its various racial groups.

TABLE 2.2
Projected Population by Race/Ethnicity
1980 to 2030
(in thousands)

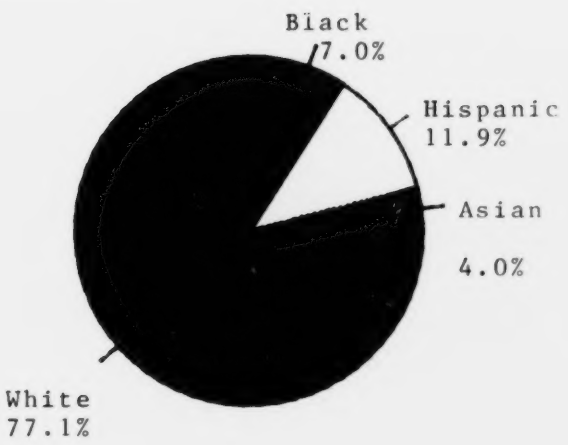
	1980	1990	2000	2010	2020	2030
Non-Hisp White	15704	16410	16704	16859	16856	16388
%	66.5	58.8	52.4	47.0	43.8	38.4
Black	1783	2098	2353	2578	2761	2862
%	7.5	7.5	7.4	7.2	7.2	6.7
Hispanic	4544	6736	9085	11548	12799	16273
%	19.2	24.2	28.5	32.2	33.3	38.1
Asians	1312	2312	3371	4471	5598	6667
%	5.6	8.3	10.6	12.5	14.6	15.6
Others	263	322	368	411	450	472
%	1.2	1.2	1.1	1.1	1.1	1.2
Total	23608	27880	31883	35869	38466	42665
%	100.0	100.0	100.0	100.0	100.0	100.0

The number of Non-Hispanic Whites will grow, though very slowly, until 2010 when it will peak at just under 17 million. Beyond that date, some declines can be expected, and by 2030 they will total 16.4 million, or slightly more than noted in 1980. The combination of continued very low fertility and low levels of immigration contribute to this almost zero growth situation. It should be recalled, however, that the assumptions do not include any net domestic immigration. Should such occur, the Non-Hispanic White total would be larger.

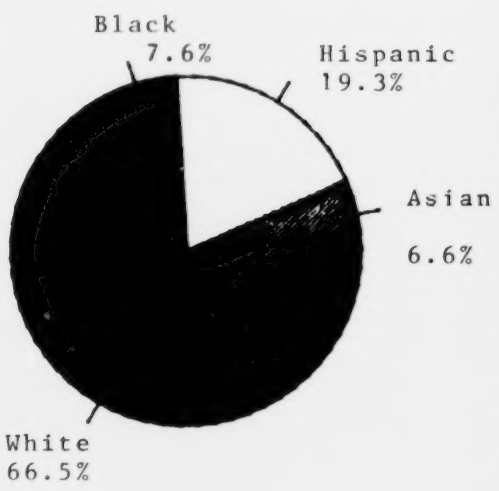
Figure 2.2

POPULATION OF CALIFORNIA BY ETHNICITY

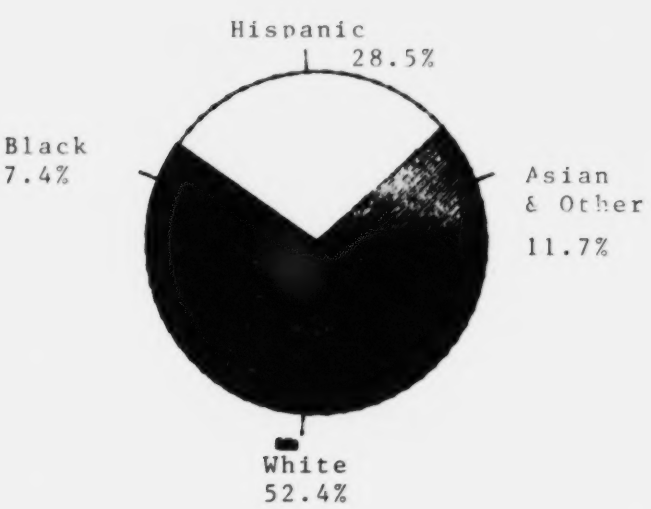
1970



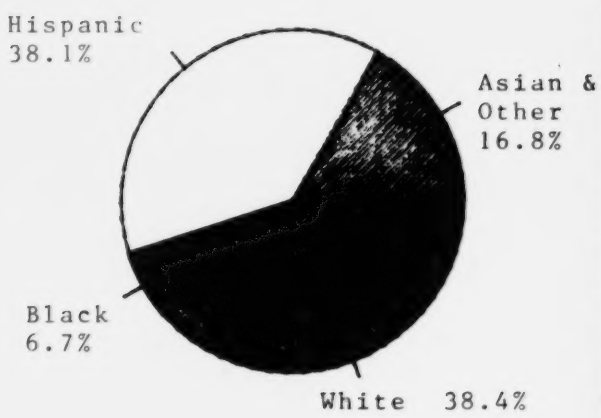
1980



2000



2030



Reference: Tables 1.2 and 2.2

Although the proportion of Blacks will fall slightly, their numbers will increase from 1.8 million in 1980 to 2.4 million at the turn of the century to 2.8 million in 2030. Most Black Californians are American-born. However, throughout the nation increases in the immigration of Blacks from the Caribbean and from Africa have been observed. Some of these movements are to California. Thus it can be expected that in the 21st century the Black population will be somewhat more heterogeneous than it is today and will contain small pockets of immigrants and their descendants from certain African and Caribbean countries.

The Hispanic population will increase 3.5 times between 1980 and 2030, from less than 5 million in 1980 to 10 million around 2005 to 15 million in 2025. By 2030, more than 16 million Hispanics will be living in California. Soon thereafter, Hispanics will be the largest racial group in the state. Hispanic immigrants come predominantly from Mexico and Central America. Given the projected growth in Mexico in future years, a growth that will be replicated in most Central American nations as well, the future Hispanic population in California should continue to be overwhelmingly of Mexican and Central American heritage. Furthermore, its immigration level should not decrease. Recall that net immigration of Hispanics to California is assumed to be 100,000 per year which includes both legal and illegal movements. Some might argue that this is too low an estimate of current let alone future patterns. On the other hand, stringent legislation, if passed in the near future, could lead to lower levels of immigration.

"Percentagewise," Asians will grow more rapidly than Hispanics. Their numbers will increase more than five-fold over the fifty year period between 1980 and 2030. Asians numbered only 1.3 million in 1980 but will increase to 3 million before the turn of the century and 6 million by about 2025. The growing heterogeneity among Asian immigrants will result in some remarkable shifts in ethnic proportions. In 1980, Filipinos became the largest Asian ethnic group in the state, passing the Chinese. Following closely behind were the Japanese. Almost three-quarters of all Asians in California were either Chinese, Japanese, or Filipino.

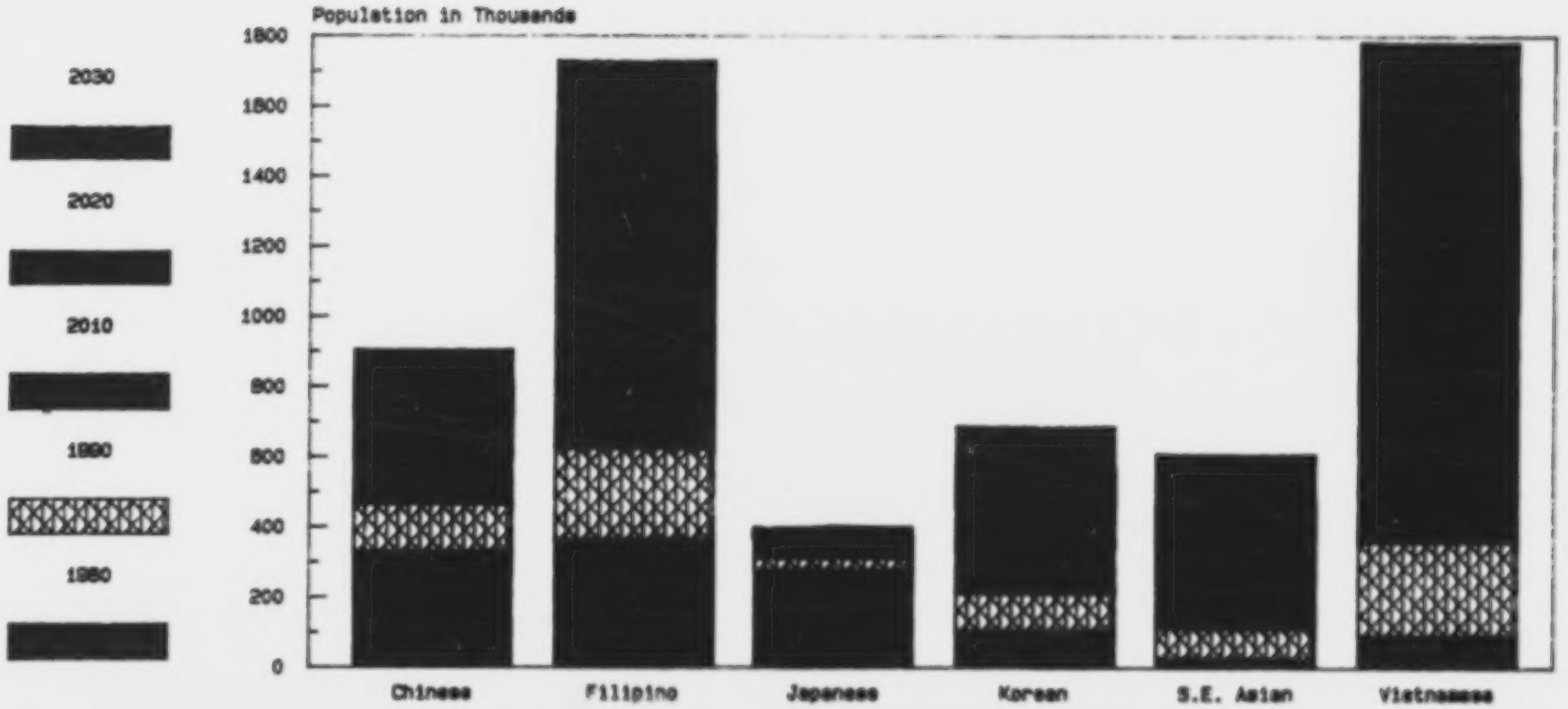
TABLE 2.3
Projected Asian Population
by Ethnicity
1980 to 2030
(in thousands)

	1980	1990	2000	2010	2020	2030
Chinese	325	465	591	709	817	906
%	24.8	20.2	17.6	15.8	14.6	13.6
Filipino	358	620	896	1181	1466	1731
%	27.3	26.8	26.6	26.4	26.2	26.0
Indian	59	81	103	125	144	159
%	4.6	3.5	3.1	2.8	2.6	2.4
Japanese	268	309	335	355	374	386
%	20.5	13.4	10.0	7.9	6.7	5.8
Korean	102	215	333	452	569	684
%	7.8	9.3	9.9	10.1	10.2	10.3
Vietnamese	85	356	674	1026	1405	1785
%	6.5	15.4	20.0	22.9	25.1	26.8
SE Asian	18	111	221	343	475	608
%	1.4	4.8	6.6	7.7	8.5	9.1
Other	93	151	213	278	345	406
%	7.1	6.6	6.2	6.4	6.1	6.1
Total	1312	2312	3371	4471	5598	6669
%	100.0	100.0	100.0	100.0	100.0	100.0

By the turn of the century, Filipinos will constitute by far the largest Asian ethnic group, but the Vietnamese will be second and the fastest growing. Indeed, by 2030 the Vietnamese will pass the Filipinos and become the largest Asian group in the state. Many other significant changes will take place within the Asian community. Numerically, the Vietnamese will grow from 85,000 to almost 1.8 million over the fifty year period; the Koreans will increase from 102,000 to 685,000. The number of refugees from Kampuchea and Laos, who only numbered 19,000 in 1980 could grow to more than 600,000. The Japanese, on the other hand, will exhibit extremely slow growth, reaching only 387,000 in 2030 as compared to 269,000 in 1980. Thus the combination of Chinese, Japanese and Filipino will drop from almost 75 percent of the

Figure 2.3

PROJECTED ASIAN POPULATION
BY ETHNIC BACKGROUND



Reference: Table 2.3

Asian population in 1980 to 45 percent in 2030. Southeast Asians (Vietnamese, Laotians including Hmongs, and Kampucheans), a mere 8 percent in 1980, will comprise more than 35 percent of the Asian-Californian population in 2030.

Immigration assumptions should also be kept in mind. Will the current levels from Southeast Asia be maintained for the foreseeable future? Will immigration laws continue to encourage family reunification? Will this result in growing numbers from Korea, the Philippines and eventually Vietnam? Will possible political unrest in the Philippines lead to massive refugee movements? Will the 1997 shift in political power in Hong Kong mean an increase in the number of Chinese coming to California? These questions remain unanswered, but such future non-demographic developments could affect the projections.

One thing is certain: the racial and ethnic composition of the state of California will become ever more complex and diverse in the next century. Non-Hispanic Whites will no longer comprise the majority. They will be replaced, not by another majority group, but by a combination of significant minorities--Asian and Hispanic as well as Black and Non-Hispanic Whites.

3. REGIONAL DISTRIBUTION OF THE POPULATION

Demographic Assumptions: Developing projections on the substate level for the next half century is extremely tenuous. Straightforward demographic projections are inappropriate, given the additional knowledge that is necessary, such as size of the area, potential for growth, local ordinances limiting growth, etc. For these reasons, we rely on county level projections developed by the state demographic group in the Department of Finance.(16) These carefully prepared projections take into consideration many such local issues, issues that are well beyond our knowledge. Furthermore, we limit the regional categories to four: the two Standard Consolidated Areas (SCA) of Los Angeles-Long Beach-Anaheim and San Francisco-Oakland-San Jose; San Diego, which is the largest Standard Metropolitan Statistical Area (SMSA) not included within an SCA; and the balance of the state.

The changing regional distribution calculated by the state demographers was applied to the projections of this report to arrive at regional totals for 2000 and 2030. The state projections end in 2020, but we carried the analysis for an additional ten years assuming no further distributional change after 2020.

Demographic Projections The projected population for the four "regions" is shown in Table 3.1. The proportion residing in the two SCAs will fall from 70.4 percent in 1980 to 66.6 percent in 2000 and 64.3 in 2030. Both the San Diego SMSA and the balance of the state will grow proportionately. However, population numbers will increase in all four regions over the 50 year period. The Los Angeles-Long Beach-Anaheim SCA will add 3 1/2 million people by the turn of the century and another 4 1/2 million by 2030. By then, almost 20 million people will reside in that metropolitan area, as compared to 11 million in 1980. In the San Francisco SCA, the population will increase from 5.1 million in 1980 to 6.3 million in 2000 and 7.8 million 30 years later. The estimate for the turn of the century is remarkably close to that projected by the Association of Bay Area Governments (6,297,950) (17)

Regional projections for the various racial/ethnic groups are necessarily even more tenuous than subsequent projections for the total population. Rather than devising complex scenarios based on assumptions about future movements on the part of the newest immigrants between counties, we simply determined how each race was distributed among the four regions at the time of the 1980 census and assumed that this would remain unchanged. We then distributed the total projected number in each racial group among the regions according to these proportions. These numbers were then adjusted to fit the projected total regional-level populations.

TABLE 3.1
Projected Population by Region
1980, 2000, 2030
(in thousands)

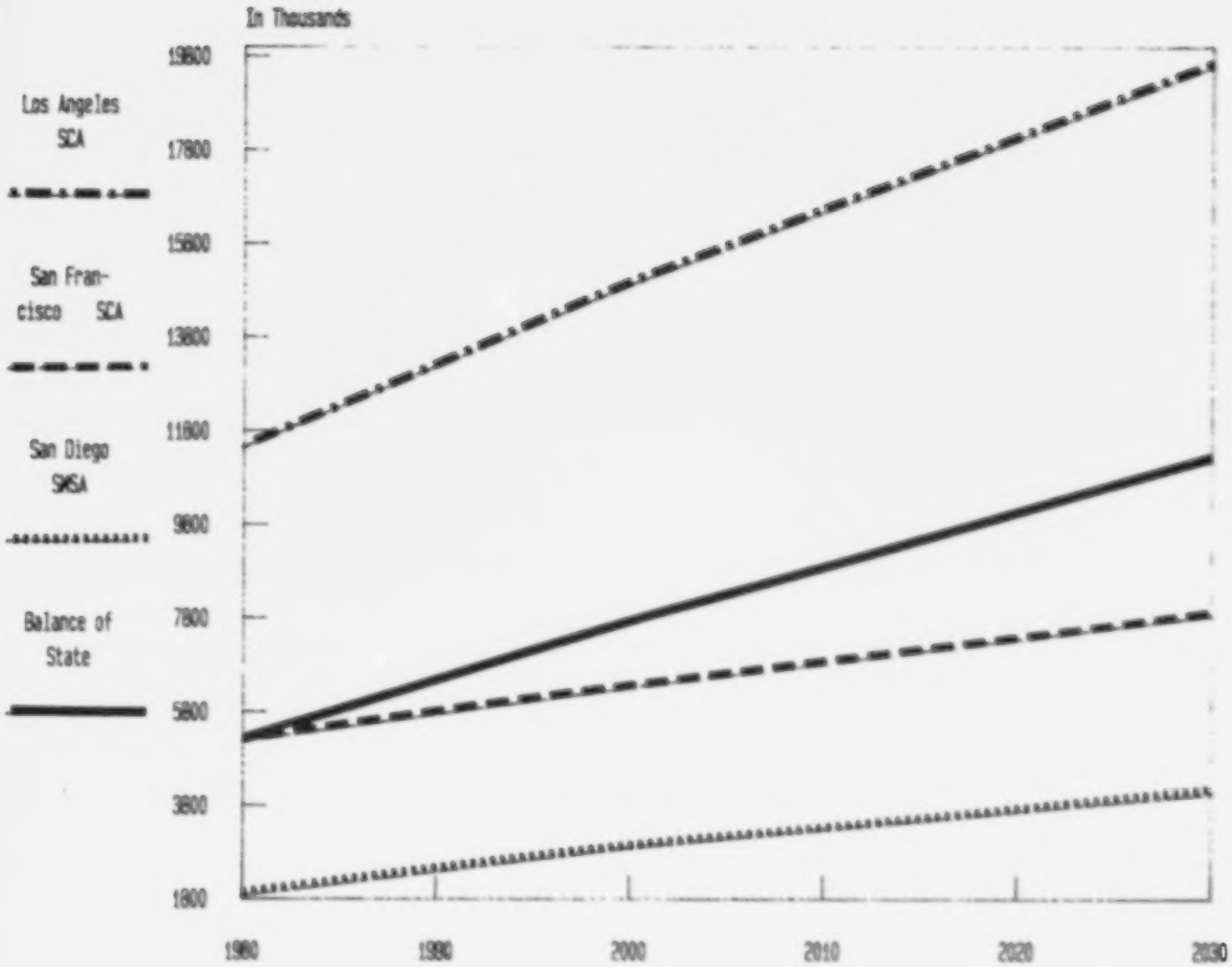
	1980	2000	2030
Los Angeles SCA	11449	14921	19583
	48.5	46.8	45.9
San Francisco SCA	5170	6312	7850
	21.9	19.8	18.4
San Diego SMSA	1865	2901	4053
	7.9	9.1	9.5
Balance of State	5163	7747	11178
	21.7	24.3	26.2

Will new Vietnamese immigrants concentrate among their countrymen or will they move to other less densely populated parts of the state? Will future immigrants from Korea settle in Koreatown and will earlier immigrants then move outside the metropolitan areas? We simply do not have the answers. Thus, this projection technique will tend to underestimate the numbers in some areas at the expense of others, but it should give the reader a rough estimate of the future racial/ethnic composition in the four major regions.

At the turn of the century, of the 6.3 million inhabitants of the SCA which includes San Francisco, slightly more than half will be Non-Hispanic White and another 17 to 18 percent each will be Hispanics and Asians. Blacks will comprise less than 9 percent of the population. By 2030, with the population approaching the 8 million mark, only 40 percent will be Non-Hispanic White while Hispanics and Asians will each represent one-quarter of the population. The Black share will remain well below 10 percent. Except for the Black share, these proportions are in marked contrast to the 1980 distribution: Non-Hispanic White, 69.0 percent; Hispanic, 12.2 percent; Asian, 8.7 percent; and Black, 8.8 percent.

Figure 3.1

PROJECTED POPULATION OF CALIFORNIA
By Regions



Reference: Table 3.1

Changes projected for the Los Angeles SCA are similar. In 1980 about 61 percent of the population was Non-Hispanic White, 24 percent was Hispanic, 5 percent was Asian, and 9 percent was Black. At the turn of the century, only about 45 percent will be Non-Hispanic White. However Hispanic and Asian proportions will have grown substantially to 34 and 9 percent, respectively. This distribution projected for the Los Angeles SCA in 2000 is close to that in the "Moderate-High" projections developed by the Southern California Association of Governments (SCAG).(18) By 2030, according to our projections, Hispanics will be the largest racial/ethnic group at 45 percent of the population, followed by Non-Hispanic Whites at 33 percent, Asians at 13 percent, and Blacks at 8 percent. It appears quite probable that the Los Angeles metropolitan area will be the first in the nation to have a "no majority" population with no single racial or ethnic group comprising more than fifty percent of the total number of people living in the area.

As noted earlier, the San Diego SMSA will grow proportionately more rapidly than its two larger neighbors to the north. Its 2.9 million people in 2000 will be divided roughly along these lines: Non-Hispanic White, 60 percent; Hispanics, 23 percent; Asians, 11 percent; Blacks, 5 percent. Thirty years later Non-Hispanic Whites will still be the largest group but will itself be a minority comprising 46 percent of the population, compared to 32 percent Hispanics, 16 percent Asians, and 5 percent Blacks.

The balance of the state while containing less than one-quarter of the population, is still predominantly urban and includes such cities as Sacramento and Fresno. In 1980 three-quarters of this population was Non-Hispanic White and another 17 percent was Hispanic; Asians and Blacks made up only about 3 percent each. The racial composition of this population will also change. In 2000 the 7.7 million people living outside the largest metropolitan areas will be distributed as follows: Non-Hispanic White, 62 percent, Hispanics, 27 percent, Asians, 6 percent, Blacks, 3 percent.

TABLE 3.2
Percent Distribution of Racial/Ethnic Group
by Region
1980, 2000, 2030

1980	Non-Hisp White	Black	Asian	Hispanic	Other	Total
L.A.	61.0	9.1	4.9	24.1	0.9	100.0
S.F.	69.2	8.8	8.7	12.2	1.1	100.0
S.D.	73.7	5.4	5.1	14.7	1.1	100.0
Bal.	74.8	3.6	2.9	17.2	1.5	100.0
2000						
L.A.	46.4	8.6	9.4	34.5	0.1	100.0
S.F.	54.7	8.7	17.4	18.2	1.0	100.0
S.D.	60.0	5.5	10.6	22.9	1.0	100.0
Bal.	61.8	3.7	6.0	26.8	1.7	100.0
2030						
L.A.	33.0	7.6	13.6	44.8	1.0	100.0
S.F.	40.5	8.0	26.0	24.6	0.9	100.0
S.D.	45.7	5.2	16.2	31.8	3.7	100.0
Bal.	47.6	3.6	9.3	37.7	1.8	100.0

These admittedly rough estimates of the future population of selected regions of the state of California are not surprising. The changing racial composition of the state will be particularly noted in the large metropolitan areas. Although we have not developed projections for cities, it seems obvious that most cities, as opposed to metropolitan areas, will consist of minorities and no majorities already by the year 2000, and in some instances, sooner.

4. CHANGING AGE COMPOSITION

Introduction: Changing demographic behavior, whether fertility, mortality or migration, contributes to variations in the age composition of a state's population. Declining fertility causes an aging of the society by reducing the proportion of younger people and thus increasing the proportion of older people. Ironically, when mortality begins to fall, the average age of a society does not increase; indeed, it is more likely to drop. Early declines in mortality are likely to occur among infants and children, thereby increasing their proportion of the total population. Only when mortality is already quite low can any further improvements in life expectancy contribute to a society's aging. Then, progress occurs among the older segments of the population rather than among the youth.

Migration, too, has an impact on age composition. A significant influx of young adults into an area will obviously contribute to a "younging" of the population. On the other hand, in some retirement colonies, the in-migration of older people results in an aging of the population. For the United States as a whole, immigration from out of the country made up primarily of young adults and their children has retarded the aging of the population that has been underway since the end of the baby boom in the early 1960s and it will continue to do so. However, immigration will not stop that process; because of both very low fertility and increased life expectancy among the elderly, we are inevitably an aging nation. (19)

Aging of the State: Like the nation, California is aging. In 1980, 9.5 percent of all Californians were 65 or over and 23 percent were under age 15 leaving 67.5 percent in the so-called active ages between 15 and 65. This distribution was slightly younger than the nation's in 1980, and is explained by the relatively high proportion of young adult immigrants settling in the state during the 1970s. By the turn of the century, over 10 percent of California's population will be 65 or over, while 22.5 percent will be under 15. The big change will occur after 2020 when the baby boom generation begins to enter the retirement stage of life. In 2030, almost 17 percent of the state's population will be elderly, that is, 65 or over, compared to 19.2 percent under age 15. California will nevertheless be younger than the nation which, by 2030, may see the elderly representing one-quarter of its population.

Interestingly, this age shift will not affect the active age population; the proportion between 15 and 65 will remain close to 65 percent throughout the 50-year period. However, the shifting emphasis from school and preschool expenditures to those involved with aging and retirement promises some interesting issues in future decades.

TABLE 4.1
Percent Age Distribution by Race/Ethnicity
1980, 2000, 2030

1980	Non-Hisp White	Black	Hispanic	Asian	Other	Total
0-14	19.7	26.6	32.6	23.2	28.0	23.0
15-64	68.5	67.1	63.6	70.1	67.4	67.5
65+	11.8	6.3	3.8	6.7	4.6	9.5
Total	100.0	100.0	100.0	100.0	100.0	100.0
2000						
0-14	18.3	23.2	29.4	24.3	27.6	22.5
15-64	68.7	68.6	64.6	67.0	65.4	67.4
65+	13.0	8.2	6.0	8.7	7.0	10.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
2030						
0-14	16.1	18.1	22.1	20.3	20.6	19.2
15-64	61.3	64.2	65.8	65.8	67.6	64.0
65+	22.6	17.7	12.1	13.9	14.8	16.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

All four racial or ethnic groups will age. However, all did not have the same age composition in 1980. Almost 12 percent of Non-Hispanic Whites were 65 or over, with less than 20 percent under 15. By contrast, fewer than 4 percent of Hispanics were elderly, while almost one-third were children under age 15. Blacks and Asians fell between these two age extremes. By the year 2000, the proportion of Non-Hispanic Whites aged 65 or over will climb to 13 percent and by 2030, it will reach almost 23 percent; the share of children will decline in turn. The percent of elderly persons among Hispanics will also climb: to 6 percent in 2000 and 12 percent in 2030.

Changing Racial/Ethnic Distributions by Age: Combining projections of age composition with those of racial or ethnic composition reveals some interesting distributions. As noted, by the turn of the century, Non-Hispanic Whites will constitute just over half of California's population; Hispanics are projected to be 28.5 percent; Asians, 10.6 percent, and Blacks 7.4, percent. However these proportions will vary substantially in different age groups.

For example, among children under 15, Non-Hispanic Whites will make up less than half the total -- 42.6 percent -- while Hispanics will constitute 37.3 percent, Asians 11.4, percent, and Blacks 7.6 percent. Even among young people just leaving school or entering the labor force (those aged 15-24), Non-Hispanic Whites will not constitute a majority. Only among persons 25 and over will Non-Hispanic Whites be a majority. Among people between

25 and 44, they will represent just over half the population. Among those 65 and over, almost 70 percent will be Non-Hispanic Whites while only 17.3 percent will be Hispanics. Asians will represent 6.1 percent and Blacks 6.2 percent of the elderly. (See Table 4.2)

In 2030, Non-Hispanic Whites and Hispanics will each be 38 percent of the total population of California. Asians will comprise 15.6 percent; Blacks, 6.8 percent. Variations from this overall average will be substantial among age groups. Almost 44 percent of all children under 15 will be Hispanic compared to 32.1 percent Non-Hispanic Whites. About 17 percent will be Asians compared to 6.3 percent Black. Similar distributions are projected for the 15-24 year-old age group. The heart of the labor force consists of persons between 25 and 45. In that category, 41 percent will be Hispanic; almost 35 percent Non-Hispanic Whites; 16.5 percent Asian; 6.6 percent Black. Only among the elderly will Non-Hispanic Whites remain a majority (51.6 percent).

These changes in demographic behavior will drastically alter the racial and ethnic mix of California's population in the next 50 years and at the same time the population will age, resulting in growing numbers of elderly and reduced proportions of youth. The following chapters address the challenges these shifts present.

TABLE 4.2
Age Categories by Race/Ethnicity
1980, 2000, 2030
(in thousands)

A - 1980

	< 15	15-24	25-44	45-64	65+	Total
Non-Hisp Wht	3092	2819	4649	3284	1860	15701
%	57.0	62.0	66.4	74.7	82.6	66.5
Black	474	393	524	280	113	1784
%	8.7	8.6	7.5	6.4	5.0	7.6
Hispanic	1480	1029	1294	561	179	4543
%	27.3	22.6	18.5	12.8	7.9	19.2
Asian	305	245	447	229	89	1315
%	5.6	5.4	6.4	5.2	4.0	5.6
Other	75	58	82	40	12	247
%	1.4	1.4	1.2	0.9	0.5	1.1
Total	5426	4544	6996	4394	2253	23613
%	100.0	100.0	100.0	100.0	100.0	100.0

B - 2000

Non-Hisp Wht	3050	2162	4912	4407	2173	16704
%	42.6	47.3	51.3	60.3	69.5	52.6
Black	547	356	741	515	194	2353
%	7.6	7.8	7.7	7.0	6.2	7.4
Hispanic	2671	1530	2767	1575	541	9084
%	37.3	33.4	28.9	21.5	17.3	28.6
Asian	817	467	1052	737	192	3265
%	11.4	10.2	11.0	10.1	6.1	10.3
Other	72	59	105	77	26	339
%	1.1	1.3	1.1	1.1	0.9	1.1
Total	7157	4574	9577	7311	3126	31745
%	100.0	100.0	100.0	100.0	100.0	100.0

C - 2030

Non-Hisp Wht	2633	1898	4032	4129	3696	16388
%	32.1	33.1	34.7	41.4	51.6	38.4
Black	518	372	767	698	508	2863
%	6.3	6.5	6.6	7.0	7.1	6.7
Hispanic	3589	2465	4755	3496	1968	16273
%	43.8	43.0	41.0	35.1	27.5	38.1
Asian	1356	929	1918	1539	926	6668
%	16.6	16.2	16.5	15.4	12.9	15.6
Other	97	71	133	101	70	472
%	1.2	1.2	1.2	1.1	0.9	1.2
Total	8193	5735	11605	9963	7168	42664
%	100.0	100.0	100.0	100.0	100.0	100.0

5. IMMIGRATION AND THE CALIFORNIA ECONOMY

Introduction: California accounts for 10 percent of the United States economy. Its 12 million workers produced goods and services worth $400 billion in 1983. California's economy employs more than 10 percent of the nation's professional, technical, and kindred workers. High tech computer and aerospace manufacturing require engineers, biogenetics firms employ scientists, and diverse businesses from motion pictures to wine-making require specialized professionals. These highly educated workers are well paid. Over 12 percent of California's households had incomes of $40,000 or more in 1979, compared to 9 percent of the nation's households, and these affluent consumers make California the trend-setting marketplace for gourmet foods, foreign cars, and expensive recreational goods.

California businesses also employ more unskilled and semi-skilled workers than do firms in other states. A disproportionate share of the nation's janitors are found in the state and California farmers employ about 25 percent of the nation's migrant and seasonal farmworkers. Many of these less-skilled workers earn $4 to $6 hourly, making it difficult for them to buy expensive California homes and live as middle-class Americans. Since 1970, many of these low-skilled workers have been immigrants who come to California in search of a better life.

California's Work Force: In 1980, California's civilian labor force counted about 12 million persons, of whom 10.7 million were employed. The state's work force had increased by an average of 340,000 workers annually during the 1970s and the state's unemployment rate has traditionally been higher than the United States average.

The 1980 Census reported that 64.3 percent of California's population aged 16 and over was working or looking for work. By May 1985, according to the Current Population Survey, the work force had grown to 12.6 million and 7.1 percent were unemployed. The 1985 work force included 6.7 million adult men aged 20 and over, 5.2 million adult women, and 800,000 adolescents.

California's work force will continue to grow at a rapid rate in future years. According to the Bureau of Labor Statistics, the United States labor force will increase by 1.6 percent annually during the 1980s and by 1.0 percent between 1990 and 1995. Such rates will be exceeded in California. Between 1980 and 2000, the annual growth rate will approximate 2.0 percent.

For projecting the California labor force, we have relied on the labor force participation rates (by age, sex, and racial/ethnic groups) prepared by the SCAG and extended to 2030. By 2000, a total of 17.5 million persons will be in California's labor force. The number will increase to 22.7 million by 2030.

TABLE 5.1
Labor Force by Age Groups
1980, 2000, 2030
(in thousands)

	1980	%	2000	%	2030	%
16-24	2933	24.8	3115	17.7	3912	17.2
25-54	7340	62.3	12086	68.9	14488	63.9
55-64	1206	10.2	1795	10.2	3000	13.2
65+	316	2.7	570	3.2	1287	5.7
Total	11795	100.0	17566	100.0	22687	100.0

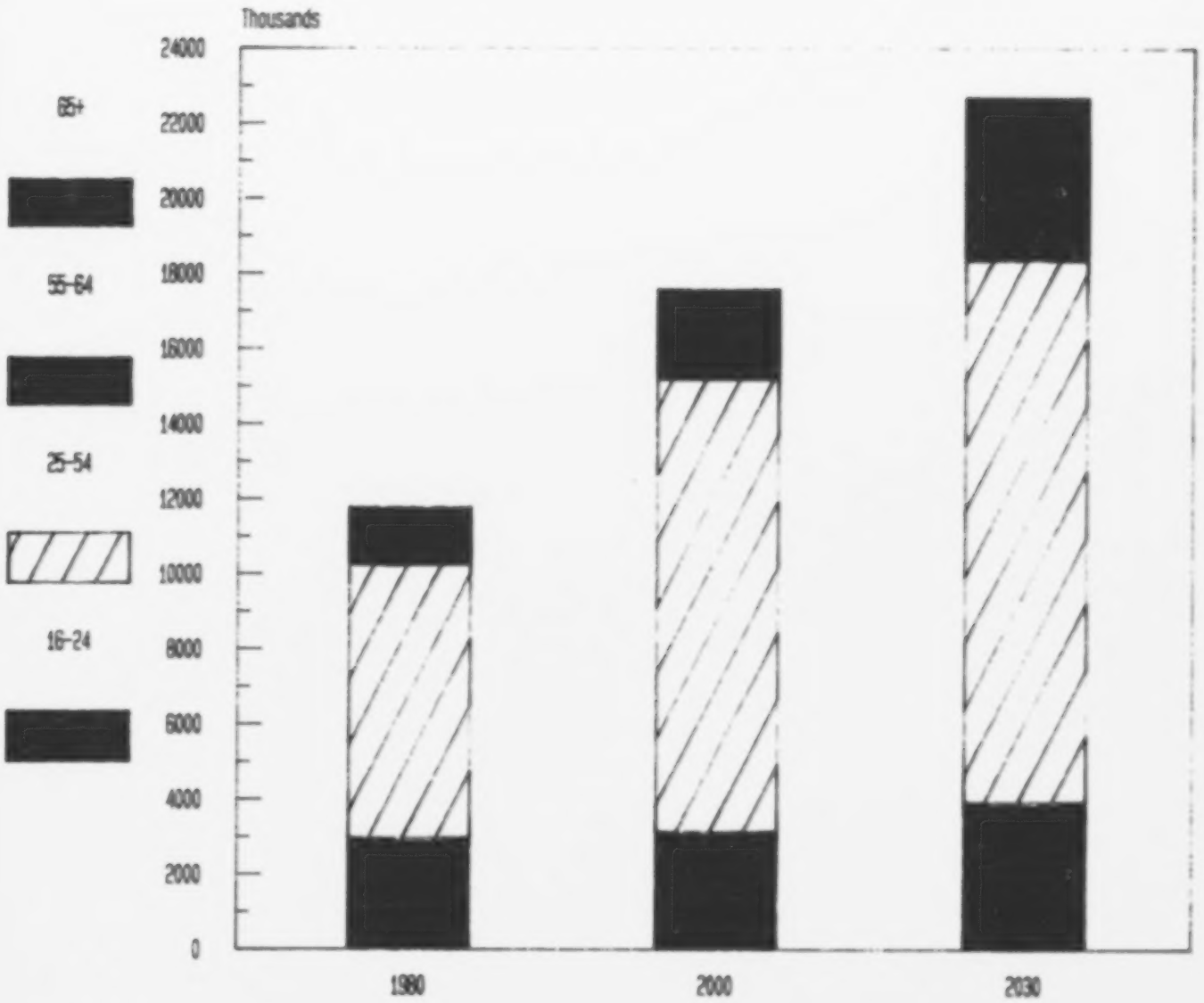
Along with growing numbers, the age composition of the labor force will change over time. Between 1980 and 2000, the number between 16 and 24 will increase only slightly from 2.9 to 3.1 million. By 2030, this age group in the labor force will total 3.9 million. On the other hand, the 25-54 age group will grow quite rapidly, reflecting both the aging of the baby boom generation and the continued immigration of young adults. From only 7.6 million in 1980, the number of persons these ages either working or looking for work will increase to some 12 million by the turn of the century and will almost double to 14.5 million over the following 30 years. The number of persons in the labor force aged 55 and over will also increase in future years from 1.6 million in 1980 to 2.4 million in 2000 and 4.3 million in 2030.

In recent decades two major changes have been experienced in California's work force: More women, especially married women, have decided to participate and immigrants, legal and illegal, have accounted for an increasing share of the growth in the work force. As of 1985, about 54 percent of all adult women participate in the work force; this compares to 52 percent nationally. Men can expect to work an average of 37 years; a 20-year old woman entering the work force in 1960 could expect to work 19 years on average; by 1977, this average was up to 26 years, and the average continues to rise. Immigrants now account for half of the California annual work force increase of almost 350,000. Illegal immigrants may well outnumber legal immigrants in the state's work force.

The major trends expected to affect the state labor force during the next few decades include a slower growing and older work force and an easier school-to-work transition for most Non-Hispanic White adolescents, but persisting minority youth

Figure 5.1

LABOR FORCE BY AGE GROUPS
1980, 2000, 2030



Reference: Table 5.1

unemployment.

These trends must be interpreted cautiously. We know how many 18-year-olds could enter the work force in 2000 because they were born in 1982. If fewer 18 year-olds than expected enter the work force while economic growth occurs at expected rates, then these adolescents should experience less unemployment. However, immigration and domestic migration patterns could alter these trends: for example, California teenagers might experience more difficult school-to-work- transitions if immigration persists at high levels.

A work force can be described by its demographic characteristics, its occupational composition, and its distribution across industries. Californians are slightly younger and better educated than the United States population: in 1980, as noted, the median age in California was 29.9 years, versus 30.0 for the nation, but California has a higher percentage of persons 25 or older who completed high school (73.5 versus 66.5 percent) and college (19.6 versus 16.2 percent). California's better-educated workers earn more than workers elsewhere: the states's median family income was 108 percent of the United States average in 1979.

The structure of an economy explains how workers are distributed across industries. Eighty-five percent of California workers are employed in four of the seven standard industrial categories: services, trade, manufacturing, and government. Manufacturing and government are relatively high-wage sectors whose share of total employment has been shrinking; services and trade are expanding sectors that include a high proportion of low-wage jobs.

The distribution of California's work force across industries in 1970 and 1983 illustrates how nationwide trends are magnified in California. Between 1970 and 1983, the share of total national employment in manufacturing fell from 23.4 percent to 18.4 percent, while the share in services increased from 14.0 percent to 19.3 percent. In California, the proportion of workers in manufacturing fell from 19.4 to 17.7 percent but services rose from 15.8 to 21.8 percent. Government employment in California decreased while it remained at the same level nation-wide. Finance, insurance, and real estate and wholesale and retail trade increased their employment shares more in California than in the United States.

Immigrant Workers: Since California receives some 25 to 30 percent of all immigrants to the United States, the effects of such immigration should be particularly marked in California. Different groups of immigrants have different economic experiences: Asians tend to be legally in the United States and are likely to earn above average incomes within 15 years of their arrival, while Hispanic immigrants are more likely to be illegal

and unskilled.

Immigrants tend to be young and ambitious. Thus, most immigrants add to the United States labor supply; about 64 percent of all persons 16 or older in the nation as a whole are employed or seeking work, but a higher percentage of legal immigrants and 80 to 90 percent of illegal immigrants join the work force.

California's work force and economy grew rapidly in the 1950s and 1960s. Between 1950 and 1970, employment doubled in the manufacturing, trade, FIRE (finance, insurance and real estate), services, and government sectors. This booming economy quickly absorbed the immigrants to California from other states and abroad.

Since 1970, employment growth has shifted from the high-wage manufacturing and government sectors to the lower wage trade and service firms that are most likely to hire unskilled immigrants (many defense and government jobs require United States citizenship). In the rapidly growing trade and service sectors of the 1980s, jobs tend to offer high wages and require education or they offer lower wages for unskilled clerks or support and maintenance personnel. Large-scale immigration reinforces this two-tiered occupational structure because many immigrants eagerly accept low-wage jobs by comparing their first United States wages to the poverty and unemployment they experienced at home.

However, rapid work force growth may not be the best way to achieve higher incomes and economic growth for all Americans because immigrants eager to work can alter the nature of economic growth. Immigrants tend to be flexible; many are willing to work long hours at low wages in hopes of eventually getting a higher paying job or forming a small business. This flexibility makes it less necessary for American businesses to embark on costly and risky strategies to replace low-wage workers in manufacturing, services, and agriculture by restructuring work to attract American workers or by automating.

The flexibility of immigrants can be a misleading indicator of their economic contributions. If immigrants are willing to accept existing low-wage jobs, employers are not pressured to search for productivity-increasing ways to manufacture products or provide services. Such employer quiescence has several economic effects:

- If employers in other countries must innovate as wages rise, they might be first to adopt innovations that increase their edge in international trade, as manufacturers in Japan have done with robots.

- If some American workers have difficulty finding jobs,

such as minority teenagers, then the availability of motivated and flexible immigrants will encourage employers to simply hire the immigrants and not experiment with policies to employ the teenagers.

- If immigrant workers readily accept existing marginal jobs that pay the minimum wage or a little more, then it will be hard to enforce labor standards legislation that was enacted to ensure that all employers and workers are guaranteed at least a minimum fair shake in the labor market.

Legal immigrants are most likely to generate the positive flexibility with few negative side effects; illegal immigrants are most likely to dull production innovations, displace American workers, and impede work place law enforcement.

The Labor Market Effects of Immigrants: The American labor market is the millions of business offices, newspaper ads, and private and public employment exchanges where workers and employers meet to fill vacant jobs. These labor markets are most important to workers only when they seek a first job or change jobs. Since immigrants are additional workers, the question becomes: how do additional workers with certain age and skill characteristics affect the wages and job opportunities of American workers? This discussion focuses on unskilled and illegal immigrants, since they are most likely to have negative labor market effects.

Despite the importance of the labor market in the American economy, there is relatively little agreement about how workers and low wage jobs are matched and how immigrants affect this job matching process. Careful analysis yields three conclusions:

(1) Undocumented workers displace Americans by changing the nature of recruitment and supervision in immigrant-dominated industries so that English-speaking workers are excluded from consideration for certain jobs. (2) Businesses that do not hire undocumented workers compete for a market share with firms that do, and the expansion of firms that employ undocumented workers indirectly displaces American workers and depresses wages. (3) The lower wages made possible with undocumented workers help increase the values of farmland and business assets so that resistance to immigration reforms that will raise wages and reduce the value of such assets increases over time. Let us consider each point in some detail.

Network Recruitment and Labor Displacement: Immigrant workers displace American workers indirectly by getting hired in high-turnover jobs and persisting as Americans quit. Pioneer migrants get promoted to supervisory positions with responsibility to recruit workers as vacancies arise, and these immigrant supervisors hire new workers through networks of friends and relatives

that operate much more efficiently in Mexican villages than in American ghettos. The language of the workplace changes, and unemployed English-speaking workers are excluded from consideration for vacant jobs. Ethnic enclaves that exclude unemployed English-speakers have emerged in southwestern agriculture, construction, light manufacturing, and services.

TABLE 5.2
Employment by Industry
United States and California
1970 and 1983
(percents)

	California		United States	
	1970	1983	1970	1983
Agriculture	3.5	3.2	4.4	2.6
Construction	3.8	3.3	4.3	3.8
FIRE*	4.7	6.1	4.4	5.4
Government	17.8	15.4	15.2	15.5
Manufacturing	19.4	17.7	23.4	18.4
Services	15.8	21.8	14.0	19.3
Trade	19.1	21.6	18.2	20.7
Various other	15.9	10.9	16.1	14.3
Total	100.0	100.0	100.0	100.0

* Finance, insurance, and real estate.

The major concentration of undocumented workers appears in establishments that employ a large number of workers in a few job classifications, such as harvester in agriculture, assembler in manufacturing, laborer in construction, or janitor in services. In these jobs, the undocumented workers displace American workers and depress wages after a "pioneer" immigrant worker is recruited or hired and proves to be more flexible and persistent than the unskilled Americans who are also employed. The rate at which American workers leave unskilled jobs is very high--annual turnover is often 100 to 300 percent, meaning that one to three persons must be hired every year to keep a job filled. In the initial stages of undocumented migration, the sharp contrast between the dedicated immigrants and the American workers who are frequently absent or quitting encourages employers to promote the

immigrant to supervisor with responsibility for recruiting and training new workers.

The immigrant supervisor acts rationally: as American workers quit, they are replaced by friends and relatives with similar attitudes toward work. Given the high turnover in these jobs, a work force can become completely undocumented within three to 12 months. Once a citrus crew or a tortilla factory work force is recruited, trained, and supervised by an immigrant supervisor, job vacancies are filled by recruiting the friends and relatives of current workers; they are not advertised in the newspaper or filed through the Employment Service where unemployed Americans might learn about them.

The network supervision and recruitment system operates efficiently: new workers are available when needed, and the employer does not have to restructure jobs to attract workers, pay for a personnel department, or experiment with quality-of-work projects to retain workers. Indeed, many employers lose the ability to communicate directly with the immigrant workers employed in their establishments, so the bilingual supervisor becomes a critical intermediary who can side with workers or the employers.

Once the network recruitment and supervision system is established, unemployed American workers do not hear about job vacancies. In businesses that now have completely Mexican work forces comprised of both legal and illegal immigrants, employers often report that the last Non-Hispanic White or Black worker left five to 10 years ago. Once English-speaking workers leave, the working language changes to Spanish, Chinese, or Tagalog, yielding the irony that English-speaking workers are least likely to be hired by the supervisor-recruiters of farmers, garment shops, and janitorial firms.

The process of network recruitment effectively shuts American workers out of certain jobs. Most would be taken by Americans only as a last resort, and thus are not "missed" by unemployed American workers who can voice their frustrations effectively. Network recruitment has closed the California harvest labor market to Non-Hispanic Whites and Blacks for over a decade, and similar ethnic enclaves are emerging in a variety of manufacturing and service enterprises. An extraordinary event is required to make unemployed Americans aware of the jobs in these immigrant enclaves: it took a bitter and lengthy strike by immigrant mushroom workers in California to make unemployed Americans realize that unionized mushroom pickers average $6 to $8 hourly and $15,000 annually for this year-round farm work, and local papers soon received angry letters about immigrants who had "stolen" good jobs.

The important conclusion of network recruitment is that

Americans are displaced from certain jobs, but displacement occurs indirectly, as American workers leave voluntarily and the network recruitment which follows simply excludes them from consideration for vacant jobs. There is undoubtedly some one-for-one displacement, as when an undocumented and American worker both apply for a single job and the undocumented worker is hired because he or she will work "hard and scared," but most of the displacement that has been found in California occurs via this substitution of network recruitment for direct job hiring.

What would be required to break this pattern of pioneer immigrants, network recruitment, and indirect displacement? If the immigrant workers were as unreliable as the Americans, employers would have incentives to upgrade or eliminate jobs, automate, or try to "make-do" with an ever-changing work force. Immigrants could be perceived as unreliable if the INS regularly disrupted work or if the immigrant workers settle and make "American-style" demands for better wages and fringe benefits. However, the current enforcement system is not disruptive enough to make undocumented workers unreliable, but it is efficient enough to permit the employers to weed out "troublemakers" by, for example, refusing to rehire union activists after they have been apprehended. Current periodic work place inspections thus increase the reliability of the immigrant work force and reinforce the tendency to exclude American workers.

Business Competition and Wage Depression: Once the network recruitment provides immigrant work forces for some businesses, a complex competition often ensues which depresses wages and displaces American workers. An agricultural example illustrates this process. About 80 percent of California's citrus groves are owned by absentee investors, and their oranges and lemons are picked by farm labor contractors, custom citrus harvesters, employer co-ops, and work crews hired directly by growers or farm managers. In the southern California lemon industry, an explicit decision not to hire undocumented workers in the early 1970s coupled with fringe benefits and promotion opportunities led to a settled and legal Mexican-born family work force instead of the traditional migratory crews of young Mexican men. The dominance of five employer co-ops with such personnel policies led to a standard wage and fringe benefit package for harvest workers throughout the area.

The settled workers began to compare themselves to nonfarm workers, and they demanded increased wages and fringe benefits from growers in the late 1970s. Lemons are overproduced: less than 40 percent that are harvested are sold as fresh lemons to consumers in the United States and abroad, so 60 percent must be destroyed or sold to the processing market to be used in dish soap or soft drinks. Several years of low fresh-lemon prices and processing market prices that did not even cover harvesting costs made growers resist demands for increased wages, and the United

Farm Workers union successfully organized settled lemon harvesters in 1978-79. Growers, still seeking to lower harvesting costs, encouraged farm labor contractors who relied on undocumented workers to come into the area so they were not forced to continue turning to the now unionized harvesting co-ops.

The labor contractor system spread quickly because contractors offered to pick lemons cheaper and most growers opposed the union. Lemons are picked for piece-rate wages, and the average hourly wage of unionized pickers stabilized at $6 in the early 1980s and then both hourly and annual earnings fell as more and more growers turned to labor contractors. The unionized co-ops were squeezed between a resident work force that expected rising wages and fringe benefits and labor contractors willing to harvest lemons cheaper, and the co-ops' share of the lemon harvest dropped from 80 percent in 1978 to 20 percent today. Average hourly and annual earnings have decreased, but these decreases cannot be observed in wage statistics. The handful of unionized workers who harvest lemons on corporate farms that fear a union boycott of their nonfarm products if they switch to labor contractors are earning more than ever before, but the undocumented workers who now harvest most of the area's lemons are earning lower wages than the settled legal workers who used to dominate the harvest work force.

The lemon harvest provides a clear example of how employers with different degrees of reliance on undocumented workers compete for business. The winning businesses (labor contractors) dependent on undocumented workers have depressed wages and displaced American workers, but the competition in the marketplace (between co-ops and contractors) obscures the indirect nature of labor market competition. In a few years, market competition and network recruiting can change the nature of both the employer and the work force in an industry. If the winning business depends on undocumented workers, then it asserts that it will "go out of business" if the influx of undocumented workers is reduced.

In manufacturing, market competition is even more complex. Food processing, garment, and furniture businesses often assert that they "would go out of business" if they lost their access to undocumented workers. However, many of these under-capitalized firms will probably go out of business even with undocumented workers; cutting off undocumented workers simply affects the timing and the stated reason for business failure. Business failures are common: fully one-third of the 500,000 to 600,000 new businesses started each year in the United States fail. A food processing example illustrates how changes in immigration enforcement can be blamed for business failure which is really due to other factors. California consumes more chicken than any other state, and chicken is imported from southeastern states and processed in California. During the 1970s, farmland prices in California increased rapidly, and farmers began growing more

high-value fruits and vegetables instead of wheat and corn to feed chickens. Chicken farmers and processing firms had to import feed from the midwest, and rising energy prices increased the cost of transporting wheat and corn to California. The chicken industry that was not adjacent to California's major rail lines suffered because costs were rising but poultry prices remained stable as southeastern farmers and processors closer to midwestern feed sources sent chicken to California.

The INS Operation Jobs raided several Northern California chicken processing firms, and their owners complained that Californians would not process poultry, although American workers do process poultry in the southeastern states. These firms argued that even if workers could be found to process poultry for higher wages, such wages would put the firms out of business. These relatively small and isolated processing firms correctly suspect that most will be forced out of business, but the underlying reasons for such business failures are California land prices and the costs of transporting chicken feed, not immigration enforcement. Immigration enforcement simply affects the timing and stated reason for business failure.

These examples can be multiplied many times. In every instance, the availability of undocumented immigrant workers was an important factor that shaped the trajectory of an industry. The availability of undocumented workers favored labor contractors over employer-run labor co-ops in lemon harvesting, favored clean-up subcontractors over directly hiring such laborers in construction, and prolonged the life of sunset poultry-processing firms. The lesson of these examples is that undocumented workers do affect the jobs and wages of American workers, but the linkage between immigrant workers and American jobs is often indirect and obscured by business competition.

Benefits and Costs: Large numbers of undocumented workers have been employed in the American economy for over 10 years. Their employment held down some wages and prices, created new businesses and preserved marginal firms, and permitted some labor intensive employers to neglect personnel policies instead of being forced to devise programs to utilize hard to employ Americans. After 10 years, is large-scale undocumented immigration economically worthwhile? Should Americans care if it takes another 10 years to achieve a consensus on immigration reform?

Answering the "is it worthwhile" question requires difficult value judgements. The lower wages wrought by immigrants have in some instances already been capitalized into the values of land and businesses, and entrepreneurs can argue that a change in immigration policy after 10 years of tolerating undocumented workers would mean for them a capital loss, since the value of a raisin farm or a janitorial business would probably fall if undocumented workers were not available and wage costs increased.

An immigration reform delayed is an immigration reform made more difficult because wage costs get factored into the prices of assets which are bought and sold. One way to evaluate whether the adjustment costs of an immigration reform should be borne now or later is to examine the kinds of jobs and businesses that expand or persist if immigrant workers are available. In agriculture, acreages of hand-harvested grapes, citrus, and avocados have expanded enough to flood the market and prompt industry demands for protection from imports. In janitorial services, the number of cleaning jobs is unaffected, but new business have been created. In garment and other light manufacturing, jobs are created and preserved, but these jobs are likely to disappear if wages rise.

The California economy will generate more jobs and businesses if undocumented workers continue to enter and work in the United States. However, the creation of jobs in industries that produce surpluses and demand protection from imports or businesses that will disappear if wages rise may not be the best way to use immigration policy to help steer the economy.

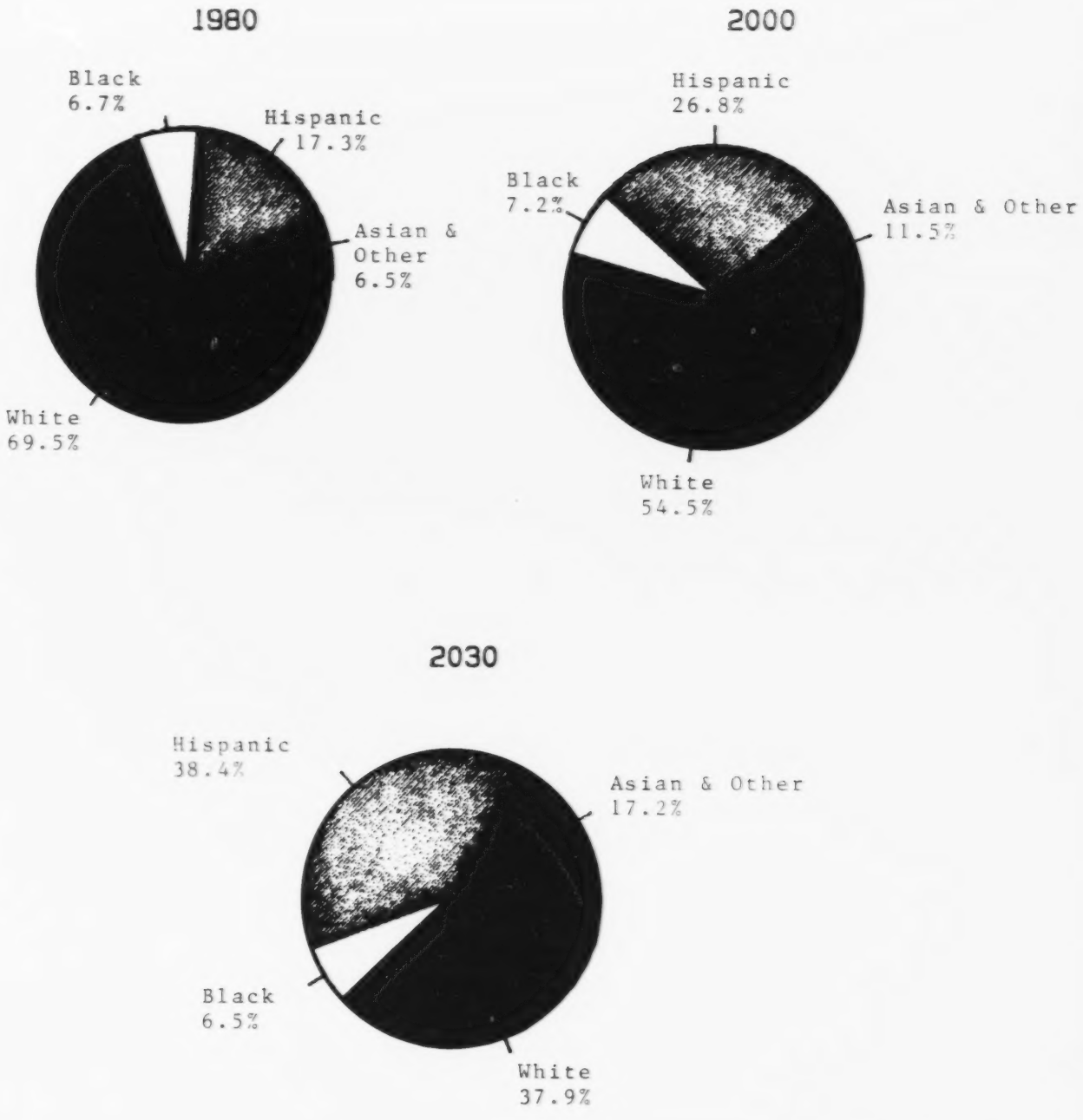
Immigrants and the Future California Economy: California is a haven for immigrants and entrepreneurs because its expanding economy offers a variety of jobs to workers without language and job skills and its infrastructure promotes the formation of new businesses. Waves of immigrants helped to shape the California economy, and these immigrants are at least partially responsible for its heralded flexibility and entrepreneurial vigor.

TABLE 5.3
Labor Force by Race/Ethnicity
1980, 2000, 2030
(in thousands)

	1980	%	2000	%	2030	%
Non-Hisp White	8198	69.5	9576	54.5	8610	37.9
Black	792	6.7	1262	7.2	1478	6.5
Hispanic	2026	17.3	4701	26.8	8716	38.4
Asian & Other	784	6.5	2032	11.5	3894	17.2
Total	11800	100.0	17571	100.0	22698	100.0

Figure 5.2

LABOR FORCE BY ETHNIC GROUPS



Reference: Table 5.3

Projections of California's population and labor force participation indicate that 5.8 million workers will be added between 1980 and 2000. Many of these will be ethnic minorities. By 2000, 27 percent of the labor force will be Hispanic and another 12 percent Asian. Thirty years later, these proportions will be 38 and 17 percent respectively. Meanwhile the shares of Non-Hispanic Whites and Blacks will decline. By 2030, Non-Hispanic Whites will comprise just 38 percent of the labor force, on a par with Hispanics.(See Table 5.3).

Will the dual economy described earlier be maintained, given the large growth in both the Hispanic and Asian groups? To be sure, many other factors could intervene. As we will see below, educational attainment levels differ substantially between groups. Will Hispanic educational attainment levels improve thereby enabling them to compete with others for the high technology occupations that will blossom in the future, or will they remain relegated to lower status jobs in competition with uneducated Americans, both black and white, and some of the more recent Asian immigrants?

Asians have exhibited great enthusiasm for education, as will be noted later. Such enthusiasm may be necessary to assure a continuation of upward mobility within the economic system.

It is quite possible that enclaves of economically successful ethnic minorities will become permanent fixtures of the California scene in future years, given the growth of the minority populations and the tendency for some ethnic groups to carve out niches in certain occupations.

One thing is certain, the California labor force, now less than 70 percent Non-Hispanic White, will change dramatically over the next few decades. Indeed, the major test for a multiracial society in which no single group is a majority will be faced on the assembly lines, the farms, and the high-technology industries of the future. Whether California, or the nation for that matter, passes the test depends to a considerable extent on how employment policies are administered in future years and how the newest immigrants adapt to American and Californian society.

Non-Hispanic Whites in the California labor force will increase from 8.2 million in 1980 to only 9.5 million in 2000 and then fall to 8.6 million in 2030. Who will replace them in the high status positions traditionally filled by this group? The eventual answer to this question will help to determine the future social structure of the state.

6. DEMOGRAPHIC CHANGE AND THE SOCIAL STRUCTURE

Introduction While an area's economy is important and jobs must be created for California's growing and changing labor force, not to be ignored is the fact that the economy is but one portion of a greater and complex whole that constitutes the society. People do not necessarily think primarily in economic terms. For millions of Americans, the quality of life, however defined by the individual, is a far more important contributor to happiness than economic success alone. In this chapter we go beyond the economic to examine the impact that demographic changes have had and will have on other important institutions that shape California's society: educational, retirement, political, religious and cultural. Improvements and changes in all of these contribute, in some measure, to improvements in quality of life.

Education: Ever since the late 19th century which saw the influx of large numbers of non-English speaking immigrants, the public school system has been the prime agent of acculturation into American society. Generally, this consisted of mass immersion into the English language and culture. Foreign-born students, mostly of European origin until the 1960s, were expected to adjust even at the cost of an extra year or two of school.

The educational challenge posed by the newest immigrants, mostly Hispanic and Asian, has led to much controversy over various types of bilingual education. Given the diversity of language backgrounds, for many of which there are few proficient teachers available, what is the best educational approach? In recent years the United States Department of Education has approved four approaches: 1-Structured immersion; 2-English as a second language; 3-Transitional bilingual education; 4-Bilingual/bicultural maintenance. The latter two are particularly controversial because their intent is to preserve the non-English language and culture.(20) More recently the Department of Education has retreated from the emphasis on bilingual schooling.

Bilingualism has become one of the most emotionally and politically explosive issues in American education. Secretary of Education William Bennett, in September 1985, pronounced the bilingual-only program "a failure, responsible for a range of ills besetting Hispanics in education." To this a spokesman for the Mexican-American Legal Defense and Education Fund (MALDEF) countered: "They're slowly walking away from the reponsibility to teach limited-English children English." He pointed to the latest Scholastic Aptitude Test scores, in which Hispanic students registered the greatest improvement, as evidence of the success of bilingual education. (21)

Language will be one of California's most vexing issues as the state adjusts to a population changing rapidly in both age and racial and ethnic composition. Should the California of the years 2000 and 2030 be an English-speaking or a multilingual state? Should Anglo customs continue to predominate, with some adjustments to accommodate the newest immigrants, or should a multicultural society be encouraged? We return later to this issue, but for now, let us examine the demographics involved.

Currently, over 4 million boys and girls are enrolled in the public elementary and secondary schools of California. That number will increase in the coming years despite the "baby bust" of the 1970s. As a surrogate for actual numbers of students in primary and secondary schools, our projections focus on the population aged 5-19, on the assumption that most persons in this age range are students. The number of persons aged 5-19 will increase by 27 percent between 1980 and 2000. In the following 30 years the growth will be limited to 15 percent, reflecting our assumption that the fertility of most minority groups will decline. The number of potential students aged 5-19 will increase from 5.7 million to 8.4 million over the 50-year period. Beginning about 2000 the nation may well witness a decline in school enrollments as the baby boom "echo" children, born in the late 1970s and 1980s, begin to pass beyond this age range, but this will not be true for California, primarily because of the projected high level of immigration.

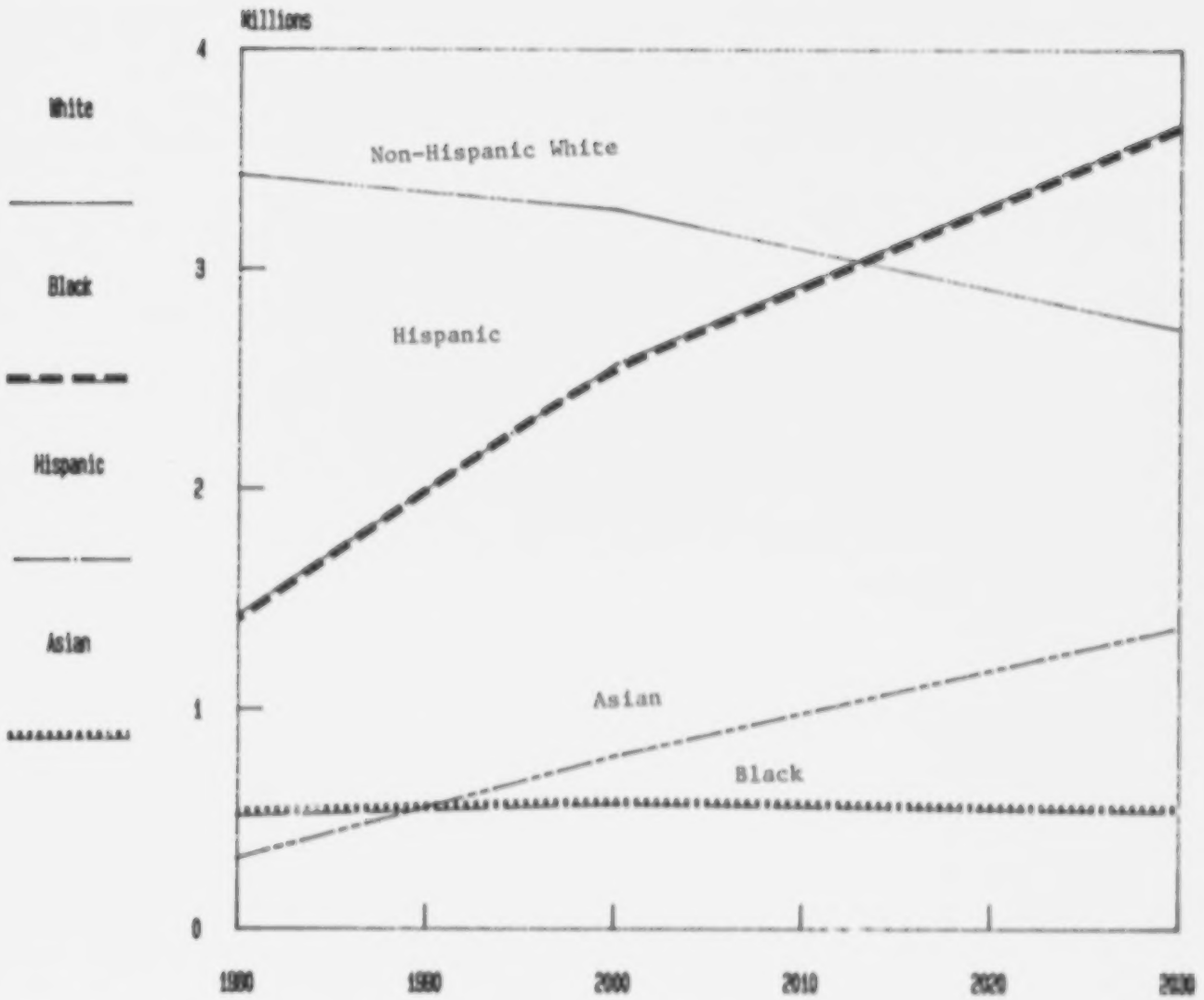
TABLE 6.1
Persons of School Age 5-19
by Race/Ethnicity
1980, 2000, 2030
(in thousands)

	Non-Hisp White	Black	Hispanic	Asian	Other	Total
1980	3431	517	1428	324	81	5741
%	59.3	8.9	24.7	5.6	1.5	100.0
2000	3274	571	2571	789	107	7312
%	44.7	7.8	35.2	10.8	1.5	100.0
2030	2731	536	3665	1374	102	8408
%	32.5	6.4	43.6	16.3	1.2	100.0

Among Non-Hispanic Whites, school enrollment will decline as the number of boys and girls aged 5-19 declines from 3.5 million in 1980 to 3.3 million at the turn of the century and 2.7 million in 2030. This trend will mirror that expected for the nation as a

Figure 6.1

PERSONS OF SCHOOL AGE 5-19
BY ETHNICITY



Reference: Table 6.1

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whole if fertility remains at the present low level. Perhaps we are too conservative in assuming net immigration of Non-Hispanic Whites of just 10,000 per year. If so, future enrollments will be higher for this group. Nevertheless, some decline is likely over the next few decades.

Black enrollments are likely to be quite stable at somewhat over half a million as the number of potential students aged 5-19 increases slightly between 1980 and 2000 and then declines gradually to 536,000 in 2030, compared to 517,000 in 1980. This pattern is to be expected, given apparent future trends in California's Black population; it will continue to grow numerically while becoming a smaller proportion of the overall total.

Between 1980 and 2000, the Hispanic student-age population will almost double, from 1.4 to 2.6 million. Thirty years later it will pass 3.6 million and outnumber Non-Hispanic Whites and Blacks combined in this age group and thus, probably, in school enrollment. Such growth results not only from continued high levels of immigration but also from Hispanics' high though falling fertility, as well as from the youthful age distribution of the group. Because a high proportion of the Hispanic population is in or about to enter the childbearing ages, there is a built-in momentum for growth that would yield increasing numbers of school-age persons regardless of immigration levels. However, the greater immigration is, the higher future enrollments will be. One caveat is important regarding Hispanic school enrollment: drop-out rates are particularly high among Hispanic adolescents. Our figures are for the population between 5 and 19 and thus overstate present Hispanic enrollments somewhat if not necessarily those of the future.

The Asian population aged 5-19 will more than double by the turn of the century and by 2030 will approach 1.4 million, almost 4.5 times the number in 1980. At the same time, the ethnic makeup of the school-age population will shift markedly as the Japanese numbers decline while Filipino and Vietnamese numbers in particular rise dramatically.

Simply stated, by the year 2000, Non-Hispanic Whites will constitute about 45 percent of all the potential students in California. Thirty years later, two of every three students will be Hispanic, Black or Asian. But it is important to keep in mind that Hispanics, and Blacks to a certain degree, are more likely to drop out of school prematurely than most Asians and Non-Hispanic Whites and the latter two groups are more apt to extend their education well beyond the secondary level.

These are the bald statistics that make the bilingual question so critical and yet difficult to answer. The state's educational system is in the midst of, and will continue to experience a massive upheaval because of recent high levels of

immigration. What kind of bilingual (or is it multilingual?) education is the most appropriate response to these demographic projections? Even more important is the larger question: What kind of society do Californians want over the next century? Is cultural assimilation preferable to cultural pluralism? Should bilingual education concentrate on structured immersion into the English language or should it emphasize bilingual/bicultural maintenance? Again, a difficult issue must be addressed if the state is to proceed into the next century without the racial and ethnic conflicts that marred the late 19th century and with a society that will be to the benefit of all Californians.

Retirement: At the other end of the life cycle is retirement-- the ultimate life goal for most Americans. The nation's retirees will increase in the coming decades, particularly after 2020 when the baby boom generation has begun to enter this stage of life. The economic and health problems associated with a rapidly growing population of retired persons have been addressed elsewhere and need not be considered here. California will have more than its share of such problems over the next half century.

Between 1980 and 2030, the California population 65 and older will grow three and a half times, from 2.2 to 7.1 million. That statistic alone should prompt serious planning for the future. To this must be added inevitable changes in the racial and ethnic composition of the elderly population.

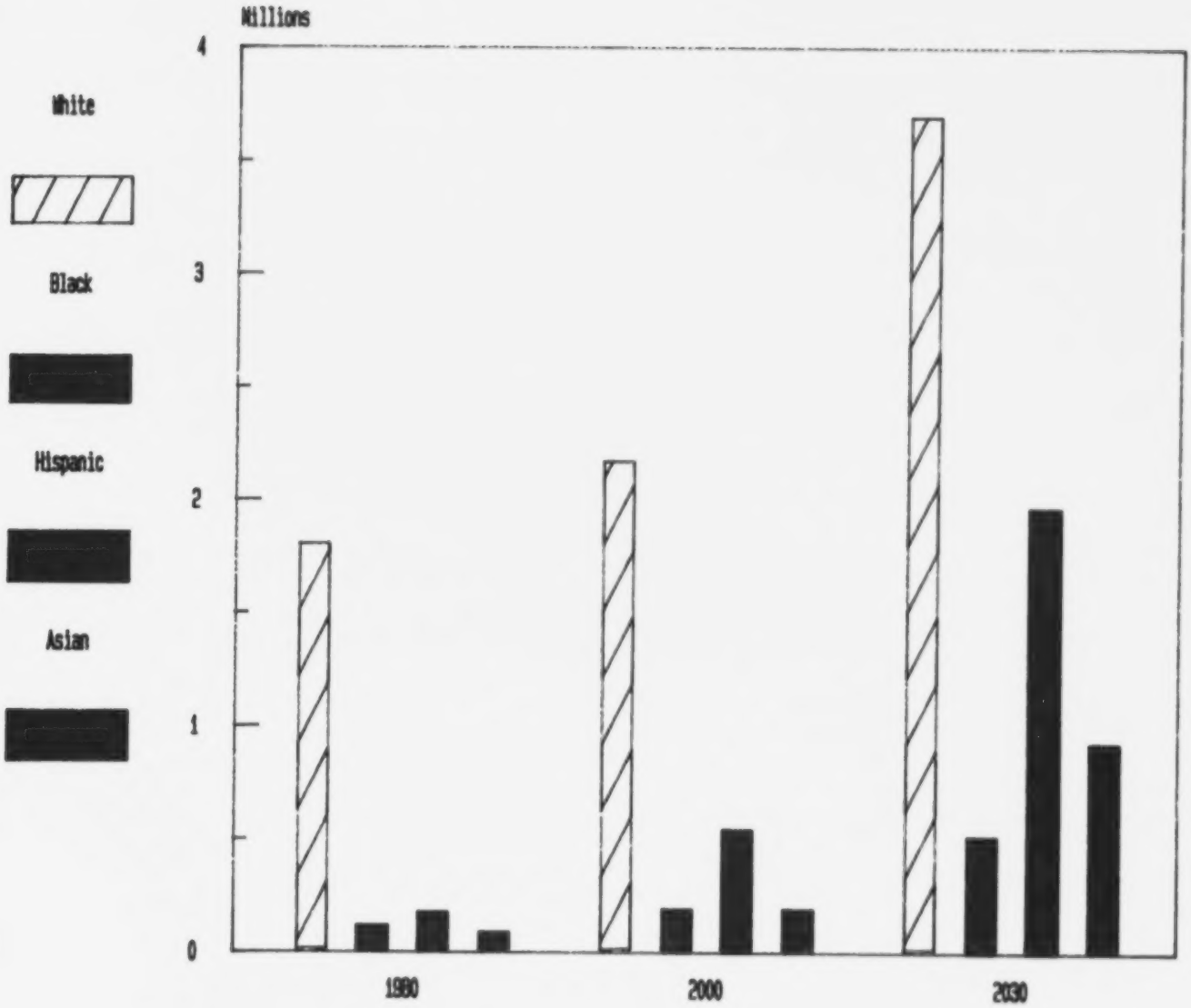
In contrast to the student age group, elderly Non-Hispanic Whites will not decline in numbers. From 1.8 million in 1980 they will increase to 2.2 million in 2000 and 3.7 million in 2030. Current and continued low fertility will have no effect on the number of elderly Non-Hispanic Whites, even in 2030, since the retired people of that year are already born. Similarly, Black elderly persons will increase, from 113,000 in 1980 to over half a million by 2030.

Growth will be far greater for the elderly population of Hispanics and Asians, both because of the aging baby boom generation and because of the continued immigration of young adults -- the elderly of the 21st century. Hispanics aged 65 and older will increase eleven-fold, from 170,000 in 1980 to 1.9 million in 2030. Asians will experience similar growth, from 89,000 to 926,000.

In sum, the Non-Hispanic Whites will remain a majority of the retired population over the next 50 years, but in declining proportion. As already noted, Non-Hispanic Whites accounted for 83 percent of California's population, aged 65 and older, in 1980 and are projected to be just under 70 percent in 2000 and down to 52 percent in 2030. Hispanics and Asians will be an ever-growing proportion of this group, while the Black proportion will increase only minimally.

Figure 6.2

ELDERLY POPULATION
BY ETHNIC BACKGROUND



Reference: Table 4.2

The sheer growth of the elderly population, particularly after 2020, will pose serious issues for the state, exacerbated by the changing racial and ethnic composition of this age group. Will Hispanic and Asian elderly persons require services different from those provided for Non-Hispanic Whites and Blacks? Will language barriers and resulting poor communication become a problem in providing health care for the elderly? Will cultural differences in how families cope with care of the elderly become an issue? As we enter the 21st century, will a still predominantly Non-Hispanic White middle aged and elderly population be amenable to the expense of a growing bilingual educational program aimed at the newest minorities? On the other side of the coin, will an ever-growing population of young adults, many of them so-called minorities, consent to growing state expenditures on care of a still predominantly Non-Hispanic White elderly population?

These and other questions must be addressed before the future is upon us. And if they are to be resolved in a manner acceptable to the Californians of tomorrow, then communication is essential-- between generations and between racial and ethnic groups.

Any shifts in demographic behavior affect every segment of a society. The age and racial/ethnic composition of California's population is particularly affected by such variations among the different groups making up that population and thus demographic variations have a far-ranging impact on the state's society. Besides the economy, the educational system, and provisions for the retired population, California's politics, religion, and culture will also be affected by such demographic variations over the coming decades.

Politics: California has always been a breeding ground for political movements, both left and right, although the mainstream has generally remained politically close to the center. Both Democrats and Republicans can claim significant successes over past years. The state's racial mix has already had political consequences with the election of the first mainland senator of Japanese ancestry, Senator S.I. Hayakawa (Republican) elected in 1976, and the nomination by the Democratic party of a Black as candidate for governor (Thomas Bradley in 1984). Persons of Black, Hispanic and Asian background have been elected to the United States House of Representatives and to high offices at the state level. The continued growth of racial/ethnic minorities, combined with the aging of the population, promises still more meaningful changes in the state's political firmament.

Political analysts generally agree that an aging population tends to be increasingly conservative. Clearly, Californians are getting older. On the other hand, if the experience of the

eastern states at the beginning of the 20th century can be taken as a barometer, then the newest immigrants are likely to align themselves with more liberal political parties. Whether either of these hypotheses will be proven accurate remains to be seen.

The elderly are becoming much more activist and will be increasingly so in the future, particularly with the growing importance of Social Security and health care issues. Many of the earlier Asian immigrants are already middle class inhabitants of the suburbs -- a haven for conservative thinking or possibly for young upwardly mobile professionals. Hispanics so far have tended to vote Democratic but their numbers are limited, both because so many Hispanics are here illegally and because the proportion of Hispanic legal immigrants who become naturalized citizens and thus eligible to vote is extremely low compared, for example, with Koreans.

The California political battleground will provide some exciting drama in future years. Many population groups remain politically unclaimed and both major parties, and possibly others, will be vying for their allegiance.

Religion: The Roman Catholic Church as well as some eastern religions such as Buddhism will grow faster than average in California if Hispanics and Asians adhere to the faith of their ancestors. Eastern religions have not yet had a broad social impact, although eastern philosophies have a notable following among some groups in California. The Roman Catholic church is much more a part of the American religious scene and continues to demonstrate its strength on many important issues. Its position on family planning and abortion, for example, is persuasive with many politicians and others.

Most Mexican and Central American residents of California remain loyal to the Catholic faith. Some researchers see this as the explanation for their high fertility; others argue that the explanation is culture, more broadly. It remains to be seen if the newest Hispanic immigrants will follow the teachings of their church on family size and contraception or shift more in line with mainstream Catholics in the United States. Nationwide surveys indicate that Catholic patterns of childbearing and contraceptive use resemble those of non-Catholics. These same studies also show that Mexican Amercian women have the highest fertilty of all racial/ethnic groups. (22)

The widespread Roman Catholic parochial school system may also be a factor in the development of a new California in the 21st century. In some parts of the state, such schools may be almost totally Hispanic, despite the Church's well-intentioned efforts to eschew any segregation. Will such schools foster the integration of their pupils into the overall California society? Answers to such questions are bound up in the impact of

demographic changes on the final, and perhaps most important, of the social institutions.

Culture: How will California's culture be affected by these dramatic changes emanating from the demographic behavior of millions of people, both in and out of the state? A good indicator of this is language, which is closely related to culture and can serve as the "glue" that keeps a society together. Currently, in the greater Los Angeles area, for example, some 80 languages are spoken by students in the public schools.(23) Our projections suggest that language will become an even more complex issue in California's future. Should English be the sole language of public communication, or should multilingualism for all Californians be taught and encouraged? Preserving ancestral languages and norms is to be encouraged and certainly Americans, particularly Non-Hispanic Whites would do well to become more proficient in foreign languages. However, it is difficult to visualize a society without a common language through which all its members can communicate. Sociologist Nathan Glazer recently pointed out: "In a society where all aspire to equal participation, all must undergo education in the same modes: the language in use in the society, the methods of calculation that have universal validity, the science that is everywhere the same."(24)

The newest immigrants to California have much to offer artistically, culturally, and otherwise. Can these new ingredients be melded into the state's present culture without destroying or radically altering either it or the new influences? Or should California foster a new, diverse, multiracial culture reflecting its many groups, none of which will be a majority 30 years hence.

Social differences are marked among the newest immigrants. Already noted are the educational differences between Hispanics and Asians. The variations are similar within the heterogeneous Asian community. Many Hmongs and Laotians, for example, are barely literate, while half of all Indian adults have completed both four years of college and at least one year of graduate education. Is a new kind of segregation on the verge of becoming institutionalized along newly defined, racial lines? While oversimplified, a two-tier economy with Asians and Non-Hispanic Whites at the top and Hispanics and Blacks at the bottom, is a distinct possibility, as seen in an earlier chapter.

How will Blacks fare in this new melange of groups? Long the doormat of American society after 300 years of slavery and discrimination, Blacks should finally be moving up the socio-economic ladder, particularly after the anti-discrimination laws passed since the early 1960s. There are now some success stories to be told, but most Blacks are still consigned to low-paying jobs and competing with the newly arrived minorities for those that are available. How can such injustice be finally ended while

making certain that other groups are not also prey to discrimination?

Conclusion: California is just entering what may be its most crucial decades since the Mexican War ended in the 1840s. Demographic changes have always played a key role in its development. Streams of migrants have fueled its soaring economy, beginning in the latter part of the 19th century. Even then, and earlier, the racial/ethnic composition of its population was shifting. Native Americans were first joined by Spanish and Mexican conquistadors and their countrymen. Later came the so-called Anglos and the first Asians, Chinese and Japanese, recruited to perform the labor touched off by the Gold Rush and building of transcontinental railroads in the mid- and late 19th century. Blacks began to migrate from the south after World War II. More recently have come the growing waves of migrants from south of the border and from Asia. These migrants and their distinct fertility and mortality patterns are helping to mold the current and future size and composition of California's population. The state will never be the same; yet, as with the nation, it remains unfinished. This could have been said in the 19th century, however. The important question is: How will the state adjust to these demographic changes and all their repercussions?

7. MEXICO'S GROWING POPULATION

Mexico's changing demographics are the best clue to the potential for future immigration into California from south of the border. Thus this chapter looks at population trends in that country.

Current projections are for a near-doubling in Mexico's population in just three decades, from 69 million in 1980 to 128 million in 2010. Estimated at just under 80 million in mid-1985, the population is projected to reach 146 million by 2020. Such enormous growth in a short period of time exacerbates housing shortages, reduces the per capita availability of productive land, increases unemployment and underemployment, and in the process, retards the nation's capacity to develop and prosper. One of the end results is emigration, which is likely to continue as Mexico's social, economic, and political turbulence, fueled in part by rapid population growth, continues.

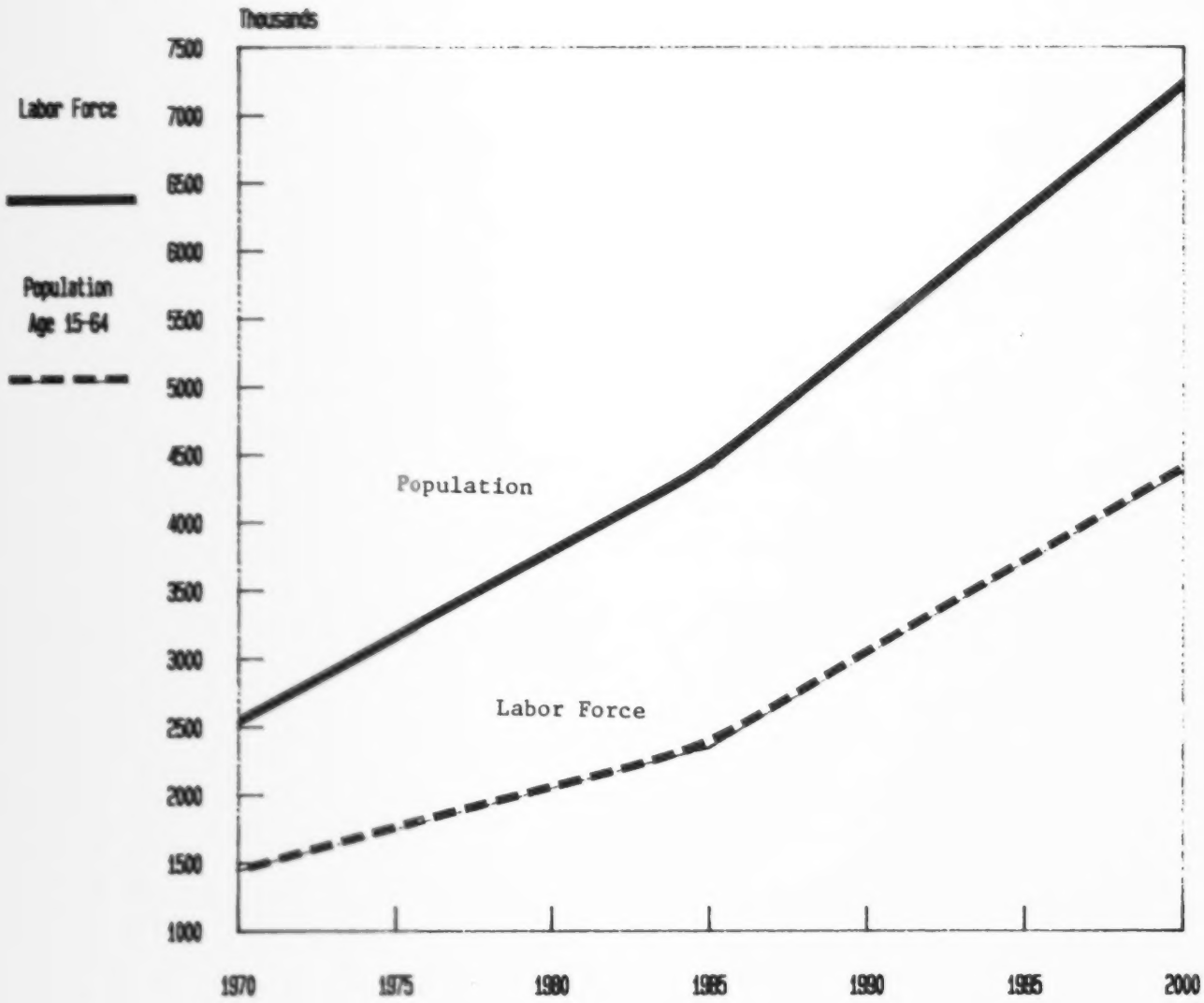
The seeds of this explosive growth were sown in the 1950s as mortality, especially infant and child mortality, began to fall precipitously. Between 1950 and 1980, life expectancy at birth increased by 15 years. Fertility, although down to fewer than 34 births per 1,000 population today, was 46.7 per 1,000 in 1950 and has fallen only recently. The combined result of rapidly falling mortality and still high fertility was a population explosion; Mexico's population soared from 27 million in 1950 to 69 million in 1980.

The long lasting demographic effect of this population explosion is the built-in momentum for further growth it brought about in the age structure of the population. Because of progress in combatting infant and child mortality, a "death dearth" occurred; the infants and children who a generation earlier would have been likely to die remained alive to become the young adults of the 1970s and 1980s. These young people constitute a giant generation in or about to enter the childbearing ages. Between 1950 and 1980 children under 15 increased by 163 percent, from 11.8 to 31 million, and young adults aged 15-24 increased from 5.1 to 14 million. Sixty-three percent of all Mexicans today are under age 25, compared to 31 percent in the United States. Women in the reproductive ages of 15 to 44 increased from 5.7 to 14.5 million between 1950 and 1980 and this number is projected to nearly double in the following 20 years to 26.8 million in 2000.

There are so many young people and women of childbearing age that the annual number of births will inevitably rise, even though fertility is now falling rapidly (see chart 7.1). The birth rate is projected to fall from 42.7 per 1,000 population in 1975 to 17.7 in 2025, but the Mexican population will still grow from 60 million to 154 million in that 50-year span. Between 1980 and 2000, annual numbers of births will increase from 2.5 million

Figure 7.1

MEXICO
SIZE OF LABOR FORCE AND POPULATION 15-64



to 2.7 million, despite a substantial and perhaps over-estimated decline in fertility.

These data lead to some obvious but disturbing questions. Can Mexico support a population of 113 million just 15 years from now in the year 2000, much less the 151 million projected for 2020? Will birth rates fall as rapidly as projected? Will emigration increase?

The absolute numbers and skewed population age structure which underlies them suggest that many of Mexico's intractable problems may worsen in the near future, especially unemployment, and housing and land shortages. The result is likely to be still more people who cannot find the means to survive in Mexico and still more pressures to emigrate to the United States, and in particular, California.

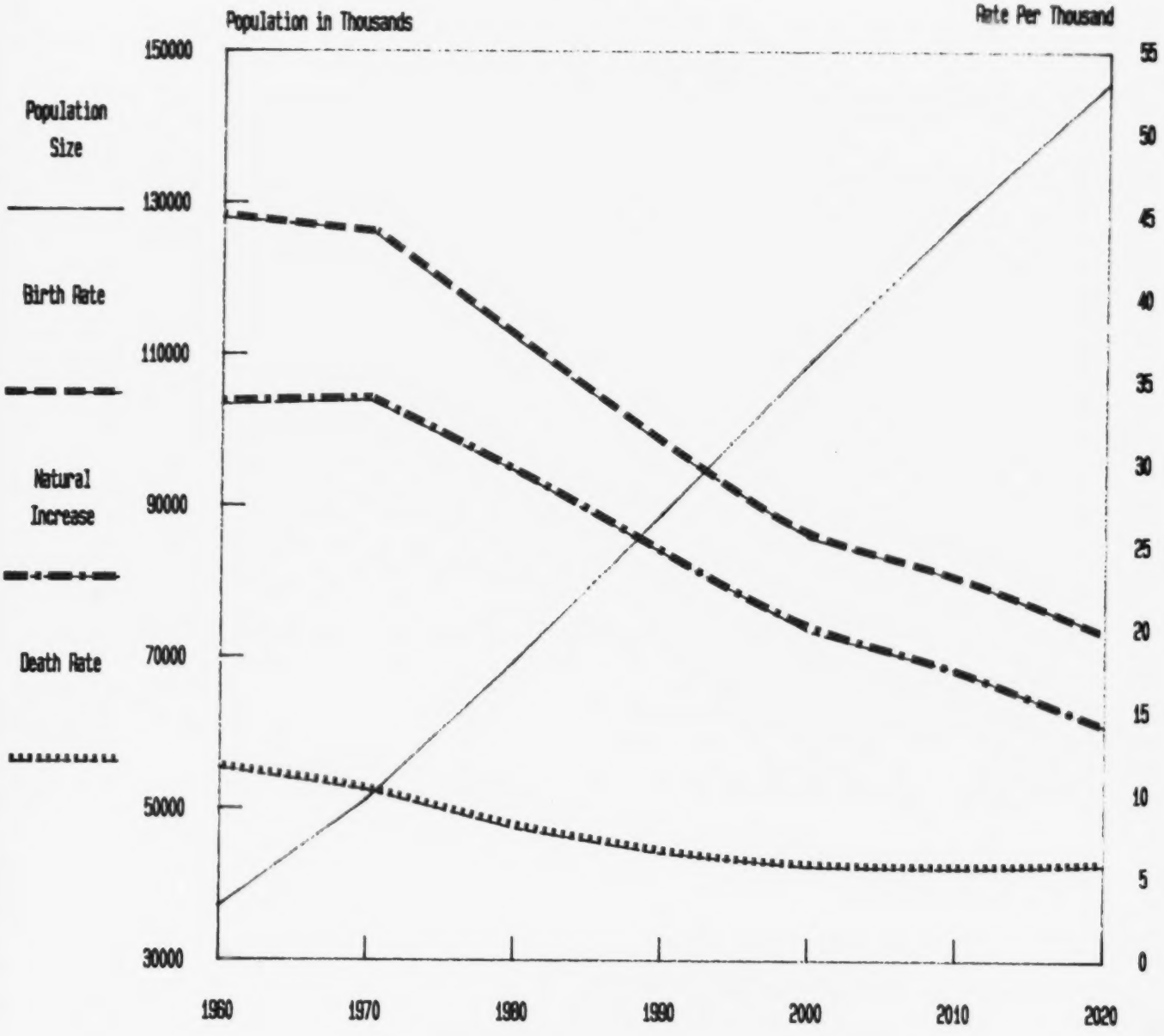
The current age structure will have a particularly marked influence on Mexico's future labor force-- men and women aged 15-64 who are working or looking for work. The labor force is projected to grow by 3.3 percent a year between 1980 and 2000, even higher than the total population growth rate of 2.3 percent a year. As of 1985, the labor force is estimated to be 23.9 million people, of whom nearly half are unemployed or underemployed. Taking into account increases in the number of people aged 15-64 and labor force participation rates, it is projected that 16 million new jobs would have to be created in the next 15 years--or almost one million a year--just to maintain the current level of employment. (See chart 7.2.) If labor force participation rates increase as they have in recent years, especially among women, then even more jobs would have to be created to reduce the high level of unemployment and underemployment. This is a goal Mexico would be hard pressed to meet, even if the country's economy grows at record rates which is unlikely, given the current overwhelming debt.

The difficulty of absorbing the rapidly growing labor force will coincide with increasing urbanization and a growing demand for new housing. Those who need new housing are precisely the young adults who will be seeking new jobs. In addition, the growth of Mexico's population also implies increased demands for a wide range of social services, including health care, schools, and social security.

Another potentially severe consequence of rapid population growth is pressure upon land. Mexico's land area is fixed; its arable and permanent cropland can be increased only marginally. As a result, the current population growth rate is outstripping the capacity of the land to support the country's large agricultural population. While the number of hectares of arable and permanent cropland has increased by about 18 percent since 1950, the country's population has nearly tripled. This has reduced the

Figure 7.2

DEMOGRAPHIC SITUATION IN MEXICO
1960-2020



Reference: United Nations 1982 Projections

45a

number of hectares of arable land per capita from 0.73 in 1950 to 0.30 today. Unless there are sweeping technological and organizational changes, diminishing land resources can only increase both rural and urban tensions.

Pressure on the land, among other factors, translates into increased migration as more and more people leave the countryside for the cities, seeking new jobs and a better way of life. Too often, they end up living in conditions worse than in their original villages, with no jobs and frequently no food or shelter.

As Californians and other Americans are well aware, this migration is not confined within the borders of Mexico. The movement north across the border in search of jobs has become a flood. Many simply cross the border into the United States illegally to face the constant risks of arrest and deportation. Between 1975 and 1984, some 650,000 Mexicans immigrated into the United States legally, while untold additional hundreds of thousands entered illegally. One can only expect the flood to mount still higher, given Mexico's inevitable future population increase and especially the 69 percent projected increase in the next 30 years of young adults aged 15-34, the age group most likely to migrate.

In sum, Mexico's near-term population future as its inexorable impact on key development factors is fairly well fixed and cannot be altered. The country's population momentum and disproportionate numbers of young people will exacerbate socioeconomic problems for years to come. Solutions to any of these myriad problems must consider the kinds of demographic phenomena described here. Further, population growth and its shifting composition and distribution are major influences in Mexico and should be taken into account in understanding the nature of the country and in formulating United States assistance and both foreign and immigration policy aimed toward that country.

8. CONCLUDING SUMMARY

Three major points have been addressed in this report. (1) The changing population size and composition of the state of California over the period 1980-2030; (2) changes in the labor force and the economy of the state now and in the future; (3) the impact of demographic changes on the institutions and culture of the state.

According to the assumptions selected to develop the projections, the state's population will reach 42 million in 2030 -- a 68 percent increase over the 25 million in 1985. This growth will surpass that projected for the national population. Beyond 2030, growth will be relatively slow. If a population's fertility continues indefinitely below the replacement level of 2.1 live births per woman and if immigration is relatively constant, the population will eventually attain zero population growth.(25) That is the scenario for California. Indeed, when California's population reaches the magic number of 50 million referred to by Lord James Bryce around the middle of the 21st century, it will be approaching what demographers call stationarity or an end to growth. All this will occur if this report's assumptions are reasonably accurate. Any increase in fertility to the 2.1 live births per woman needed for replacement or higher, would lead to significantly greater numbers in the years to come, with no end to growth in sight.

The question then becomes: How many people can California reasonably support, both economically and enviromentally? Does the state have sufficient resources to support 50 million people? Will 20 million people residing in the Los Angeles metropolitan area prove to be too many or can some adaptations be found to solve overcrowding? These questions may be academic. Fifty million Californians, including 20 million Los Angelinos, by the middle of the next century seems almost preordained.

To be sure, levels of immigration could be reduced. New national legislation, if passed, could result in major reductions in clandestine movements into the state. Given the built-in momentum for population growth observed in Mexico, such legislation, to be effective, might necessitate enormous increases in border patrols and other forms of police authority. Regarding legal immigration, the assumptions of this report are quite conservative. Indeed, some may argue that they are too conservative.

In-migration to California from other states, or internal migration, has been considered minimally in this report. The net influx of 10,000 Non-Hispanic Whites and 5,000 Blacks per year as assumed in the projections is considered immigration, but these could just as well be domestic migrants from other states as migrants from out of the country. Other projections of the

California population developed by state and regional statisticians have included an economic variable in their assumptions.(26) The result has been that whenever international migration is high, internal migration is assumed to decline; conversely, when immigration is low, in-migration from other states increases. The rationale is that the number of jobs tends to change at a constant rate and this is projected to continue in the future. More immigrants means fewer jobs for internal migrants who therefore choose not to move to California. Whether the move is international or domestic, however, the number of migrants into California will undoubtedly remain quite large.

The projections in this report do not differ significantly from those prepared in October 1983 by the Department of Finance of the State of California. That study projects a population of 31.4 million in 2000, compared to the 31.8 million by this report.

For 2020, the difference is also quite small: 36.9 million versus 38.4 million. In another study prepared by the Center for Continuing Study of the California Economy the medium projection for the year 2000 was 31.5 million.(27) Beyond that, it is virtually certain that California's population of 25 million in 1985 will double over 65 years to 2050. The population's future ethnic and racial composition may vary from that projected here. Whether Hispanics and Non-Hispanic Whites each comprise 38 percent of the population in 2030 depends to a considerable extent on the accuracy of the assumptions regarding the number of Hispanic immigrants and their fertility and mortality levels after coming to the state. Similarly, the number of Asians could be affected by new legislation limiting refugee and immigrant entries. Again, these assumptions appear to be somewhat conservative, suggesting that Hispanics and Asians will reach the numbers projected for future years. However, the number of Non-Hispanic White and Black inmigrants may be larger than assumed here. A continuation of the actual pattern for 1981 - 1984 would result in such increases.

Given that overall fertility is projected to remain below replacement, estimating the numerical impact of higher levels of migration into the state is relatively simple. If the annual number were 20,000 Non-Hispanic White immigrants from out of the country or in-migrants from other states rather than 10,000, as assumed in this report, this would yield 100,000 Non-Hispanic Whites more per decade or about a half million by 2030. The Non-Hispanic White proportion of the total state population would increase to 39.1 percent while that of Hispanics would fall to 37.7 percent -- a very slight change. The conclusion is clear: The shifts in racial and ethnic distribution already underway will become even more dramatic in future years. Soon after the turn of the century, no racial or ethnic group will account for a majority in California.

California's economy is expected to add over 5 million jobs by 2000 and possibly another 5 million by 2030, continuing the tradition of a vibrant economy which absorbs newcomers. The number and kind of workers available will influence the trajectory of the economy. The best jobs will require high levels of education and skills and offer wages that enable workers to maintain affluent lifestyles. Jobs requiring few skills will pay wages that reflect the availability of workers.

Immigration patterns will affect the number of workers and thus wages. Legal immigrants, especially from Asia, tend to quickly catch up to American educational and earnings levels. Illegal immigrants, especially from Mexico and Central America, lag behind. Immigration patterns will have important effects on the evolution of the labor market.

The large increases projected for Hispanics and Asians in the labor force suggest a continuation of the emerging two-tier economy, with Asians and better educated Non-Hispanic Whites and Blacks competing for the prestigious occupations while poorly educated Hispanics and Blacks scramble for the lower status jobs.

The impact of demographic shifts on the culture of the state has been addressed several times in this report. Its importance is overwhelming. Such cultural changes should not be viewed as something to resist. However, the challenge is so awesome and failure to study and plan for the changes that are sure to come could have dire results. Overall population numbers will grow substantially; the proportion elderly will increase; and the proportion that now consists of minorities will increase at the expense of the current majority until California is entirely a collection of minorities. Together these changes will pose problems for the educational system, for the economy, for the retired, for resource allocations. The numerous difficult questions asked in this report must be answered, as must the question raised by Lord James Bryce some 76 years ago: "What are the ultimate aims for which you are working?"(28)

The issues are not new. California has experienced a rapidly growing and changing population since it joined the Union in 1850. However, the dominant culture until now has been Anglo with some Spanish influences. Many different European ethnic groups have been lured to the "Golden State" since the mid-19th century. While gradually assimilating into the California society, the new residents have added their own special ingredients to it and the state has benefited.

California's historical record in accepting racial minorities has not been ideal. Shameful to recall is the treatment of Asians in the 19th and early 20th centuries and again during World War II. Yet recalling these episodes may contribute to assuring a better tomorrow for the newest of California's minori-

ties.

The new challenge differs in some ways from the past. Today, most immigrants come not from Europe but from Latin America and Asia and the quasi-legal discrimination practiced in the past against newly arrived Hispanics and Asians is out of the question. Further, the Non-Hispanic White majority will soon be but another minority. Thus, an entirely new kind of adaptation must emerge--adaptation by all groups.

The successful assimilation of European immigrant groups popularized the notion of assimilation as a process leading to a "melting pot." "From this perspective, the adaptation process of particular immigrant groups followed a sequential path from initial economic hardship and discrimination to eventual socio-economic mobility, arising from increasing knowledge of American culture and acceptance by the host society."(29) This description fits the experience of some groups and individuals, particularly European migrants of the 19th and early 20th centuries, but now may not be fully accurate. Today, the concept of American society as a "melting pot" is often replaced by the concept of the "salad bowl."

Advocates of cultural pluralism point out that immigrants do not always "melt" into the host society. Some groups prefer to preserve their own distinct ethnic identities within the larger society. "This has resulted in a pattern of selective assimilation in which individuals participate fully in the American culture at the same time that they practice the customs of their homelands, speak the language of their original cultures, and socialize primarily with others of the same ethnicity."(30)

Then there are the so-called "unmeltable ethnics" -- Blacks, Mexicans, and Native-American groups. Partly because of racial or ethnic discrimination, they have tended to be segregated in separate living areas and subjected to inferior working conditions.

The voluntary development of "ethnic enclaves" is still another mode of adaptation. Here, first generation immigration groups, preserving their culture, identity and internal solidarity, can be economically successful despite any evidence of acculturation. This contradicts the notion that acculturation is necessary before an immigrant group can move ahead economically. For such an enclave to emerge, there must be a sufficient number of immigrants of that ethnic group, sufficient sources of capital, and a sufficient supply of labor. In such a milieu, new immigrants can thrive despite scant knowledge of the host culture and language.(31) Enclave residents tend to know little English but this has little impact on their average income. Current examples of ethnic enclaves are Koreatown in Los Angeles and the much older Chinatown in San Francisco. It remains to be seen if more

such enclaves will develop in California as new arivals swell the ranks of the different minorities.

It is clear that different groups have followed different paths toward adaptation to American society. The paths chosen by the newest immigrants may be different again and require revisions in current concepts of adaptations. How will Asians, particularly the newest arrivals, such as Indochinese, adjust to California society? How will the increasing numbers of Hispanics from Central America adjust; will they simply assimilate into the existing Mexican-American culture, as has been suggested elsewhere?(32) How will Blacks adjust to the new challenges thrust upon them by the newest immigrants? And how will the newest minority of the 21st century--Non-Hispanic Whites--adjust to an entirely new situation?

What type of adaptation, by all groups, will best suit the California of tomorrow? What kind of a state do Californians prefer for the 21st century? Some undoubtedly prefer a "status-quo" society, with traditional assimilation under an umbrella of Anglo conformity. Their hope is that the newest immigrants will gradually loosen the ties with the languages and cultures of their origins and embrace the English language and the "American way." Others see future demographic changes as marking the onset of a new phase in the ever changing California society -- a truly multicultural society. There would be several ethnic enclaves and cultural pluralism would exist alongside the integration of some individuals and groups. Soon after the turn of the century when all Californians would belong to minorities, the state would become truly multiracial and multiethnic.

Excursions into the 21st century can yield all sorts of pictures -- some positive, some negative. The motion picture, "Blade Runner", is an example of the latter. The year is 2019, the setting is Los Angeles, a dismal, pollution-ridden metropolis of tens of millions of people speaking a strange mixture of Chinese, Spanish, and English. It is not a pretty picture. But Los Angeles could indeed become a harbinger of a new multiracial and multilingual society with no majority to set a prevailing culture or language. Considerable intermarriage would lead in the long run to what Philip Wylie once described as a "tea-colored" society. Eventually, racial discrimination would disappear as all groups participated equally in the city's politics and economy.

However, we can be overly idealistic about the future. Adjusting to radical changes in both, age and racial/ethnic composition of the population will place severe strains on the state. Already there is concern about the failure of many Hispanics to finish high school, which is retarding Hispanic progress. On the other hand, Asian success stories are noted everywhere, which may account for the growing anti-Asian feeling among some Americans. But not all Asian groups are successful;

surveys have shown that the most recently arrived Southeast Asian refugees lack the training and experience needed to fit easily into American society.

The status of Blacks will be affected by the demographic changes of the future. With the civil rights legislation of the 1960s, social acceptance seemed to be around the corner. Today, there is some question that Blacks' progress will continue, particularly for those not prepared for forthcoming economic changes. Finally, what about the reactions of the long dominant Non-Hispanic White group as it becomes California's newest minority, early in the 21st century? Will it willingly accept the need to communicate in more than one language and willingly share the power to which it has long been accustomed? Clearly, there are no correct or incorrect answers to these questions, providing the rights of all minorities are respected. What direction the state will take depends on how adaptation occurs in the family, in the community, in the schools, in industry, in the churches, and indeed in all societal institutions. It has been asked "Does the state have the vision of what it should look like a half century or even a decade from now which is necessary to make commitments...? By this isn't meant 'look alike' in the utopian sense, but in the sense of establishing opportunities all Californians should be free to pursue. Developing such a shared vision, utilizing government to implement it, and investing in it, will be an important determinant to California's future, and life here for unborn generations."(33)

The state's identity is at a crossroads. It is time for representatives of all groups -- racial or ethnic, political, educational, religious -- to meet together to ask: What kind of a California do we want in the twenty-first century? Yale University law professor Peter Schuck posits the questions this way: "What are we? What do we wish to become? And most fundamentally, which individuals constitute the 'we' who shall decide these questions?" (34). In the process of answering these questions, the Californian society of the 21st century will gradually be defined.

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